



Kopran

KOPRAN LIMITED
ANNUAL REPORT
2017-2018

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Consolidated			Standalone		
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
Equity Share Capital	4,325	4,325	4,325	4,325	4,325	4,325
Other Equity	10,146	8,142	6,153	16,250	15,769	14,921
Networth	14,471	12,467	10,478	20,575	20,094	19,246
Fixed Assets(net)	11,437	11,076	10,361	4,599	4,378	3,517
Sales/Other Income	32,430	32,948	29,869	16,157	19,078	18,814
Gross Profit/(loss)	4,006	4,677	3,140	1,691	2,646	2,457
Finance Costs	860	1,370	1,256	663	979	999
Depreciation	851	833	812	322	334	314
Tax Expenses	240	485	-	225	485	-
Net Profit/(loss)	2,055	1,989	1,072	481	848	1,144
Earning per share(Rs)	4.74	4.60	2.59	1.09	1.97	2.76

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BOARD OF DIRECTORS :

Mr. Susheel G Somani	Chairman
Mr. Surendra Somani	Executive Vice Chairman
Dr. Arvind K Mehta	Director
Mr. Vijay K. Bhandari	Director
Dr. Siddhan Subramanian	Director
Dr. Sunita Banerji	Director
Mr. Adarsh Somani	Additional Director (<i>Appointed wef 29th May, 2018</i>)
Mr. Varun Somani	Additional Director (<i>Appointed wef 29th May, 2018</i>)

CHIEF FINANCIAL OFFICER :

Mr. Basant K Soni

COMPANY SECRETARY:

Mr. Sunil Sodhani

AUDITORS :

M/s. Khandelwal Jain & Co.
Chartered Accountants,

INTERNAL AUDITORS :

M/s. STDJ & Company
Chartered Accountants.

SECRETARIAL AUDITORS :

M/s. GMJ & Associates
Practicing Company Secretaries

REGISTRAR & TRANSFER AGENT:

M/s. Bigshare Services Pvt. Ltd.
Mumbai.

BANKERS :

State Bank of India,
The Federal Bank Limited
RBL Bank Limited

REGISTERED OFFICE :

“Parijat House”,
1076, Dr.E.Moses Road, Worli, Mumbai – 400 018
Tel.No.: 022-43661111 Email: investors@kopran.com

FORMULATION UNIT :

Villages Savroli,
Taluka Khalapur,
Dist. Raigad, Khopoli
Maharashtra–412 202
Tel.No.:02192-274500

Kopran Research Laboratories Ltd. (Subsidiary Company)

API UNIT:

K-4/4, Additional MIDC,
At/Post : Birwadi, Taluka: Mahad
Dist.: Raigad
Maharashtra– 402 302
Tel.No.:02145-251101

Directors Report

Dear Members,

Your Directors have pleasure in presenting their 59th Annual Report together with the Audited Financial Statement for the year ended on 31st March, 2018.

1. Financial Performance

(₹ in Lakhs)

Particulars	Standalone Basis*		Consolidated Basis*	
	FY 2017-18	FY 2016-17	FY 2017-18	FY 2016-17
For the Period Ended				
Total Revenue	16,156.51	19,077.86	32,430.42	32,947.82
Less Expenses	15,460.42	17,742.60	30,141.89	30,471.82
Profit before Tax	696.09	1,335.26	2,288.53	2,476.00
Net Tax Expenses	225.41	484.83	239.90	484.83
Profit / (Loss) for the Financial Year (FY)	470.68	850.43	2,048.63	1,991.17
Other Comprehensive Income/(Loss) for the FY	10.11	(2.01)	6.03	(1.85)
Total Comprehensive Income/(Loss) for the FY	480.79	848.42	2,054.66	1,989.32

*The Company has adopted Indian Accounting Standards (Ind AS) from 1st April 2017 as prescribed under Section 133 of the Companies Act 2013, read with the relevant rules issued thereunder and accordingly, these financial statement for all the periods presented have been prepared in accordance with the recognition and measurement principles as stated therein. Reference to reconciliation for first time Ind AS adoption is mentioned in Note No.55 of the Standalone Financial Statement and Note No. 57 of the Consolidated Financial Statement.

2. Performance review

A) Standalone: Standalone Total Revenue was ₹16,156.51 Lakhs as against the previous year's figures of ₹ 19,077.86 Lakhs down by 15.31%. Profit before tax was ₹ 696.09 Lakhs down by 47.87% over the previous year's figures of ₹ 1,335.26 Lakhs. Total Comprehensive Income was ₹ 480.79 Lakhs down by 43.33% over the previous year's figures of ₹ 848.42 Lakhs.

B) Consolidated: Consolidated Total Revenue was ₹ 32,430.42 Lakhs as against the previous year's figures of ₹ 32,947.82 Lakhs down by 1.58%. Profit before tax was ₹ 2,288.53 Lakhs down by 7.57% over the previous year's figures of ₹ 2,476 Lakhs. Total Comprehensive Income was ₹ 2,054.66 Lakhs up by 3.28% over the previous year's figures of ₹ 1,989.32 Lakhs.

3. Operations of the Company

Your Company's Exports during the financial year was ₹ 13,527 Lakhs as against the previous year's figures of ₹15,472 Lakhs down by 12.57% and Local sales was ₹ 1,304 Lakhs as against the previous year's figures of ₹ 2,085 Lakhs down by 37.46% .

Operations of the Kopran Research Laboratories Limited, a Subsidiary Company

Kopran Research Laboratories Ltd achieved total revenue of ₹ 17,810 Lakhs in the current year as against total revenue of ₹ 16,072 Lakhs in the previous year Exports during the Financial year was ₹ 10,572 Lakhs as against the previous year's figures of ₹ 7,690 Lakhs up by 37.48% and Local sales was ₹ 6,958 Lakhs as against the previous year's figures of ₹ 8,173 Lakhs down by 14.87%. During the year, the company's Total Comprehensive income for the year is ₹ 1,268 Lakhs compared to ₹ 841 Lakhs in the previous year up by 50.77%.

The Industry had been coping with impact of demonitisation and introduction of GST policy has led to some operating challenges.

4. Dividend

In view of expansion plans and to conserve resources, the Board has not recommended any dividend on Equity shares or Preference shares for the Financial Year 2017-18.

5. Management Discussion and Analysis

The Report on Management Discussion and Analysis as required under SEBI (LODR) Regulations, 2015 is provided as a separate section in **Annexure A** of this Report.

6. Subsidiaries, Associates and Joint Ventures

Kopran Research Laboratories Ltd., Kopran (H.K.) Ltd., and Kopran Lifesciences Ltd. are the existing wholly owned subsidiaries of the Company. Salient features and financial summary is provided as a separate section in **Annexure B** of this Report.

As required under Rule 8(1) of the Companies (Accounts) Rules, 2014, the Directors Report has been prepared on Standalone Financial Statements and a report on performance and financial position of each of the subsidiaries and associates included in the Consolidated Financial Statements.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its Standalone and Consolidated Financial Statements has been placed on the website of the Company www.kopran.com. Shareholders interested in obtaining a copy of the Financial Statements of the subsidiary companies may write to the Company Secretary at the Company's registered office.

7. Directors & Key Managerial Personnel

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Susheel G Somani, Non-Executive Director of the Company, retires by rotation at the ensuing AGM, and being eligible, has offered himself for re-appointment.

The Board at its meeting held on 29th May, 2018, subject to the approval of members at Annual General Meeting, appointed Mr. Adarsh Somani and Mr. Varun Somani as Additional Director of the Company, liable to retire by rotation. The Company has received a notice under section 160 of the Companies Act, 2013 as amended thereof from a member of a Company proposing his candidature for the office of the Director. The Board seeks approval of the shareholders at the 59th Annual General Meeting for confirmation of the appointment of Mr. Adarsh Somani and Mr. Varun Somani. The brief profile of the aforesaid Directors has been detailed in the Notice.

In terms of section 203 of the Companies Act, 2013 following are the Key Managerial Personnel of the Company

Mr. Surendra Somani, Executive Vice Chairman; Mr. Basant K Soni, Chief Financial Officer; Mr. Sunil Sodhani, Company Secretary and Compliance Officer. No KMP has been appointed or has retired or resigned during the financial year.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulation 16 (1) (b) of the SEBI (LODR) Regulations, 2015. In the opinion of the Board they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

8. Meetings of the Board

Five Board Meetings were held during the Financial Year ended 31st March, 2018. The Details of the Board Meetings with regard to their dates and attendance of each of the Directors has been provided in the Corporate Governance Report as a separate section in **Annexure C** of this Report.

9. Committees of the Board

At present, the Board has following five Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Affairs Committee and Corporate Social Responsibility Committee

The Composition of the Committees and relative compliances are in line with the applicable provisions of the Companies Act, 2013 read with Rules and Listing Regulations. Brief terms of reference of the Committees, Committees' Membership and attendance at the meetings of the Committee are provided in the Report on Corporate Governance as a separate section in **Annexure C** of this Report.

10. Board and Committee Evaluation

Pursuant to the provision of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and Guidance Note on Board Evaluation, issued by SEBI, the Board has carried out the Annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board and performance of Independent Directors, by way of individual and collective feedback from Directors. The matrix of Manner of Evaluation is given in the table below.

Manner of Evaluation	
Evaluation done by	Evaluation of whom/process
Independent Directors	a) Board as a Whole b) Non-Independent Directors c) Chairperson (taking into consideration the view of Executive Director) d) Assess the Quality, Quantity and Timeliness of Flow of Information between the Company Management and the Board
Board of Directors	a) Committees of the Board b) Independent Director (excluding the Director who is being evaluated)
Nomination & Remuneration Committee	All Directors (excluding the Director who is being evaluated)

The Board Evaluation included aspects such as Board Composition and structure, effectiveness of Board processes, functions of the Board, etc. The evaluation of Board Committees included aspects such as functioning and effectiveness of the Committee meetings, independence, structure and composition of Committees, etc.

The Directors expressed their satisfaction with the evaluation process.

11. Vigil Mechanism

Pursuant to the provisions of Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has adopted a Vigil Mechanism or 'Whistle Blower Policy' for directors, employees and all stakeholders to report any concerns within the framework of the policy. The same is also disclosed on the website of the Company www.kopran.com

12. Risk Management and Internal Control Systems and their adequacy

Risk management comprises all the organizational rules and actions for early identification of risks in the course of doing business and the management of such risks. The Company has in place internal financial control systems and risk management system commensurate with the size and complexity of its operations to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances.

13. Corporate Social Responsibility (CSR)

The Company is not mandated to carry CSR spending pursuant to section 135 of the Companies Act, 2013.

14. Related Party Transactions

All related party transactions that were entered into during the financial year were in ordinary course of business and on arm's length basis, of repetitive nature and proposed to be entered during the Financial year are placed before the Audit Committee duly empowered by the Board with prior omnibus approval at the commencement of Financial year. A statement giving details of all related party transactions are placed before the Audit Committee on quarterly basis for their approval. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Indian Accounting Standard (Ind AS 24) has been made in the notes to the Financial Statements.

The policy for Related Party Transactions as approved by the Board has been uploaded on the Company's website www.kopran.com.

15. Corporate Governance

The Report on Corporate Governance as stipulated under SEBI (LODR) Regulations, 2015 forms part of the Annual Report which is given in **Annexure C**. The requisite certificate from GMJ & Associates, Practicing Company Secretaries of the Company confirming compliance with the conditions of corporate governance as stipulated under the aforesaid SEBI (LODR) Regulations, 2015 is attached to the Report on Corporate Governance.

16. Loans, Guarantee or Investments

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient are provided in the Financial Statements (Please refer to Notes to the Financial Statements).

17. Rating

The Rating issued by CRISIL for long term is CRISIL BBB /stable and short term rating is CRISIL A3+ , upgraded from CRISIL BBB-/stable and CRISIL A3 respectively.

18. Auditors

a) Statutory Auditors: In compliance with the Companies (Audit and Auditors) Rules, 2014 M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W) were appointed as Statutory Auditors of the Company for a period of five consecutive years from the conclusion of 58th AGM to the conclusion of 63rd AGM. Vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of Statutory Auditors by members at each AGM has been done away with. Accordingly, no such item has been considered in Notice of the 59th AGM.

Further, the report of the Statutory Auditors along with notes to Schedules is a part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

b) Secretarial Auditors: Pursuant to the provisions of Section 204 of the Act, the Board of Directors of the Company had appointed M/s. GMJ & Associates, Practicing Company Secretaries (Firm Regn. No.1432) to conduct the Secretarial Audit of the Company for the FY 2018-19. M/S GMJ & Associates has issued the Secretarial Audit Report for FY 2017-18, given in **Annexure D**. Secretarial Audit Report for the financial year ended 31st March, 2018 do not contain any qualification, reservation, adverse remark or disclaimer.

c) Internal Auditors: The Board of Directors has appointed M/s STDJ & Co, Chartered Accountants (Firm Regn. No. 136551W) as Internal Auditors of the Company for the FY 2018-19.

19. Directors' Responsibility Statement

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. In preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. They have selected such accounting policies listed in the financial statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2018 and of the profit of the Company for that period;
- iii. They have taken proper and sufficient care for maintenance of adequate accounting records in accordance of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the Annual Accounts on a going concern basis;
- v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. Extracts of Annual Return

The extract of Annual Return required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is placed on the Company's website. The web-link as required under Companies Act, 2013 is <http://kopran.com/pdf/MGT-9-Kopran-2018.pdf>

21. Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is attached as **Annexure E**.

22. Details of Unclaimed Suspense Account:

Disclosure pertaining to Unclaimed Suspense Account as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith as **Annexure F**.

23. Particulars of employees and related disclosures

Disclosures pertaining to remuneration and other details required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016 is annexed herewith as **Annexure G**. Any Shareholder interested in obtaining the information required under Rule 5(2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 may write to the Company Secretary at the Registered Office of the Company.

24. Disclosure under the Sexual Harassment of Women at Workplace (Prevention , Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. A Complaint Redressal Committee has been set up by your Company to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the Financial year, no Complaints were received.

25. Other Disclosures/Reporting:

Your Directors further state that during the year under review:

- a) No amount is transferred to General Reserve;
- b) The paid up Equity Share Capital as on 31st March, 2018 was ₹43.25 crores. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company;
- c) The Company has not accepted any deposits from the public and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014;
- d) There were no significant/material orders passed by the Regulators or Courts or Tribunals impacting going concern status of your Company and its operations in future;
- e) There was no change in nature of Business. There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which this Financial Statement relate and the date of this Report.

26. Acknowledgements

The Directors wish to place on record their appreciation for the continued support and co-operation by Financial Institutions, Banks, Government Authorities and other Stakeholders. Your Directors also acknowledge the support extended by the Company's Unions and all the employees for their dedicated services.

On behalf of the Board of Directors

Surendra Somani
Executive Vice Chairman
29th May, 2018

Annexure A

(TO THE DIRECTOR'S REPORT)

Report on Management Discussion and Analysis

Global Outlook:

The Global Pharmaceutical market has touched \$ 1.2 trillion with a growth rate of 4.1%.

The emerging markets have been growing at an average rate of 13% and in the last ten years have risen from \$ 80 billion to \$ 270 billion in 2017. The growth is primarily due to increased focus on Healthcare spending's by the Government and introduction of New Products.

Some of the key segments of growth are Oncology, Diabetes, Cardiovascular, Central Nervous System, Anti-retrovirals and New Antibiotics.

India continues to be one of the largest exporters to the emerging markets with exports expected to touch US\$ 50 billion by 2020-21.

Company Strategy:

Your company strategy is focused on New Products – both in Finished Dosage Forms and Active Pharmaceutical Ingredients.

To achieve exponential growth, your company's strategy is to focus on New Products and New Markets – both Regulated & Emerging Markets.

Further, to be competitive, your Company is investing to integrate forward and backward. Your Company has invested in a New Plant at Panoli, Gujarat – for manufacture of intermediates. The Plant is expected to start by March 2019.

Key financial highlights on the Consolidated basis.

(₹ in Lakhs)

Financial Parameters	FY 2017-18	FY 2016-17	Increase /(Decrease)
Income from Operations	31,471.79	31,870.52	-1.25%
EBITDA	3,999.33	4,678.71	-14.52%
PBT	2,288.53	2,476.00	-7.57%
PAT	2,048.63	1,991.17	2.89%
Material costs	19,304.71	18,084.53	6.75%
Employee benefit expenses	3,223.73	3,137.40	2.75%
Other expenses	6,401.46	7,030.77	-8.95%
Shareholders' funds	14,470.83	12,467.36	16.07%
Non-current liabilities	3,520.93	3,709.33	-5.08%
Current liabilities	13,553.33	13,648.92	-0.70%
Non-Current assets	12,171.55	11,853.95	2.68%
Current assets	19,373.54	17,971.66	7.80%

Key financial highlights on the Standalone basis.

(₹ in Lakhs)

Financial Parameters	FY 2017-18	FY 2016-17	Increase /(Decrease)
Income from Operations	15,370.55	18,165.61	-15.39%
EBITDA	1,681.63	2,647.65	-36.49%
PBT	696.09	1,335.26	-47.87%
PAT	470.68	850.43	-44.65%
Material costs	9,529.85	10,892.53	-12.51%
Employee benefit expenses	1,833.87	1,911.60	-4.07%
Other expenses	3,516.76	3,595.12	-2.18%
Shareholders' funds	20,574.75	20,093.96	2.39%
Non-current liabilities	2,470.67	3,064.15	-19.37%
Current liabilities	6,991.49	7,920.94	-11.73%
Non-Current assets	20,822.19	20,690.40	0.64%
Current assets	9,214.72	10,388.65	-11.30%

Annexure B

(TO THE DIRECTOR'S REPORT)

FORM AOC-1

(Pursuant to section 129 (3) (1) read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures.

Part "A": Subsidiaries

Fig in ₹

		Name of Subsidiary & CIN		
	Information	Kopran (H.K.) Ltd.	Kopran Research Laboratories Ltd. U24230MH1986PLC040601	Kopran Lifesciences Ltd. U74120MH2010PLC21112
1	Reporting Period for the Subsidiary Concerned, if different from holding company's reporting period	01-04-2017 to 31-03-2018	01-04-2017 to 31-03-2018	01-04-2017 to 31-03-2018
2	Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of Foreign subsidiaries	Hong Kong Dollar (HKD) Rs. 8.27 = 1HKD	NA	NA
3	Share Capital	2,318,750	200,000,000	500,000
4	Reserves & Surplus	556	1,006,611,744	(110,940)
5	Total Assets	2,319,306	1,992,400,224	1,126,372
6	Total Liabilities	2,319,306	1,992,400,224	1,126,372
7	Investment	Nil	Nil	1,000,000
8	Turnover	2,206,821	1,781,090,523	Nil
9	Profit Before Taxation	16,149	128,691,892	(6,377)
10	Provision for Taxation	-	1,448,824	-
11	Profit after Taxation	16,149	127,243,068	(6,377)
12	Proposed Dividend	Nil	Nil	Nil
13	% of Shareholding	100%	99.50%	100%

Part "B" : Associates and Joint Ventures : None

Annexure C

(TO THE DIRECTOR'S REPORT)

REPORT ON CORPORATE GOVERNANCE

A. Board

1. Company's Philosophy on the Code of Governance

The Company is committed to high standards of Corporate Governance, envisages Commitment of the Company towards the attainment of high level of transparency, accountability and business propriety with the ultimate objective of increasing long term shareholders value keeping in view the needs and interests of all stake holders. The aim of Corporate Governance is to invite and focus attention of the management at all levels and to strive for higher level of Accountability, Transparency, Authority commensurate with Responsibility, Free & Fair dealing and Performance Delivered in all aspects of Operations, Company's strategies, business plans and all actions are to be successful within the framework of Corporate Governance.

2. Board of Directors

The composition of Board is in conformity with Regulation 17 of SEBI(LODR) Regulations, 2015. As on 31st March, 2018, the Company has a non-executive Chairman and over half of the total numbers of Directors are comprised of Independent Directors .Of the Six Directors in the Company, Five are Non-Executive Directors and One Executive Director. The Non-Executive Directors comprise of four Independent Directors, including One Women Director. All the Non-executive Directors draw remuneration only by the way of sitting fees for attending the meeting of the Board and the Committees thereof. None of the Independent directors have any material pecuniary relationship or transaction with the Company, its promoters, its directors, its senior management or its subsidiary and associates which may affect independence of the director. None of the Directors are related to each other Except Mr. Varun Somani who is appointed as Additional Director w.e.f 29th May, 2018 is the son of Mr. Surendra Somani, Executive Vice Chairman of the Company.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26 (1) of SEBI(LODR) Regulations, 2015) across all the Companies in which he/ she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors.

None of the Directors holds office in more than 20 companies and in more than 10 public companies. All Directors are also in compliance of the limit on Independent Directorships of listed companies as prescribed in Regulation 25 (1) of SEBI (LODR) Regulations, 2015.

a. Composition and other details of Board of Directors are as below:

Name of the Director	Category / Position	
Mr. Susheel G Somani	Non-Executive Director	Chairman (Promoter)
Mr. Surendra Somani	Executive Director	Vice Chairman (Promoter)
Dr. Arvind K Mehta	Non-Executive Director	Independent Director
Mr. Vijay K Bhandari	Non-Executive Director	Independent Director
Dr. Siddhan Subramanian	Non-Executive Director	Independent Director
Dr. Sunita Banerji	Non-Executive Director	Independent Director
Mr. Adarsh Somani *	Non-Executive Director	Additional Director (Promoter)
Mr. Varun somani **	Non-Executive Director	Additional Director (Promoter)

* Mr. Adarsh Somani is appointed as Additional Director w.e.f 29th May, 2018.

**Mr. Varun Somani is appointed as Additional Director w.e.f 29th May, 2018.

b. Familiarization Programme of Independent Directors:

A Training program for Independent Directors was held on 13th February, 2018 and was organized by Mr. Prabhat Maheshwari, Secretarial Auditor. The Training program covered presentation on Roles and Responsibilities of Independent Directors in view of requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. There was a detailed presentation on qualities, tenure, remuneration, duties, liabilities, responsibilities and rights of Independent Directors. It also covered presentation on limit on number of directorships, disclosures to be made by Independent Directors, attendance and participation of Independent Directors in General Meeting and Board Meetings, Separate Meetings of Independent Directors, recent case study relating to liability of Independent Directors, Performance Evaluation of Independent Directors, etc. The Details of Familiarisation Program imparted to Independent Directors is also available on the Company's website at the weblink: <http://kopran.com/pdf/Familiarization%20programme%20of%20Independent%20Directors.pdf>

3. Evaluation of Director, Board and its Committee

The criteria for performance evaluation of the Director, Board and its Committee was based on the Guidance Note on Board Evaluation dated 5th January, 2017 issued by SEBI. A brief on the manner of evaluation is mentioned in the Director's Report.

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management was held on 13th February, 2018 as pursuant to Schedule IV (Code for Independent Directors) to the Companies Act, 2013 and Regulation 25 (3) of SEBI (LODR) Regulations, 2015.

4. Key information pertaining to Directors

a. The attendance of Directors at Board meetings during the financial year 2017-18 and at the last Annual General Meeting including information on the number of Directorships and Committee positions held by them in other Companies as given below:

Director	No. of Board Meeting attended during FY 2017-18	Attendance at AGM held on 02.09.2017	No. of Directorships held in other Public Companies (as on 31.03.2018)	No. of Committee Memberships in other Companies as on 31.03.2018		No. of Committee Chairmanships in other Companies as on 31.03.2018	
				All Committees	Only Audit & Stakeholders Relationship Committee	All Committees	Only Audit & Stakeholders Relationship Committee
Mr. Susheel G Somani	5	Yes	9	1	1	0	0
Mr. Surendra Somani	5	Yes	2	0	0	0	0
Mr. Vijay K Bhandari	5	Yes	5	9	6	3	3
Dr.Arvind K Mehta	5	Yes	0	0	0	0	0
Dr.Siddhan Subramanian	5	Yes	0	0	0	0	0
Dr.Sunita Banerji	4	No	1	2	1	1	1

Notes :

The Board meets regularly at quarterly intervals and holds additional meetings as and when appropriate and needed. Five meetings of the Board of Directors were held during FY 2017-18 on 24th May, 2017, 4th August, 2017, 13th September, 2017, 14th December, 2017 & 13th February, 2018. All operational and statutorily required information was placed before the Board and significant events reported to the Board.

b. Remuneration to Directors and their Shareholding during the financial year 2017-18

Details of remuneration to Executive Directors

Name of the Director	No. of Equity Shares	Remuneration (in ₹)
Mr. Surendra Somani	503075	1,48,72,800

Details of remuneration to Non-Executive Directors.

Name of the Director	No. of Equity Shares	Details of sitting Fees (in ₹)	
		Board	Committee
Mr. Susheel G Somani	8,71,900	60,000	-
Dr. Arvind K Mehta	Nil	60,000	42,000
Mr. Vijay K Bhandari	Nil	60,000	37,000
Dr. Siddhan Subramanian	Nil	60,000	17,000
Dr. Sunita Banerji	Nil	48,000	20,000

There were no pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company.

5. Code of Conduct

The Code of Conduct for its Directors and Senior Management upholds the interest of the company and its stakeholders and to fulfill all the fiduciary obligations towards them. The Code of Conduct further directs the Directors and Senior Management to act in accordance with the highest standard of honesty, integrity, fairness and good faith and due diligence in performing their duties. The Code of Conduct is signed by Directors and Senior Management within one week of the start of financial year. The Code of Conduct adopted by the Board is available on the website of the Company.

6. CEO & CFO Certification

The Executive Vice Chairman and Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the Listing Regulations pertaining to CEO & CFO Certification for the Financial Year ended 31st March 2018. (Attached to Corporate Governance Report).

B. Committees

1. Audit committee

i. Brief terms of reference

The Audit Committee has adequate powers to play an effective role as required under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulation, 2015 which inter-alia include overseeing financial reporting processes, reviewing periodic financial results, financial statements and adequacy of internal control systems with the management, financial statement and Investments of unlisted Subsidiary Company, approval of payment to statutory auditors, review the annual financial statements, accounting policies and practices, major accounting entries involving estimates based on the exercise of judgment by management, disclosure of any related party transactions, the statement of uses/application of funds, adequacy of internal audit function, functioning of the Whistle Blower mechanism, Scrutinize inter-corporate loans and investments, risk management systems etc., discuss with internal auditors of any significant findings and follow up there on.

ii. Audit Committee Members, its composition & attendance during the year

During the FY 2017-18 the Audit Committee meetings were held on 23rd May 2017, 04th August 2017, 13th September, 2017, 14th December, 2017 & 13th February, 2018.

The Composition of the Audit Committee and the details of the meetings attended by the Directors during the year are as given below:

Name of the Member	Designation	Category	Meetings attended
Dr. Arvind K Mehta	Chairman	Independent Director	5
Mr. Vijay K Bhandari*	Member	Independent Director	4
Dr. Sunita Banerji	Member	Independent Director	4
Mr. Surendra Somani	Member	Executive Director	5

* Mr. Vijay K Bhandari was appointed w.e.f 24th May, 2017.

2. Nomination and Remuneration Committee (NRC)

i. Brief terms of reference

In pursuant to the provisions of Section 178 of the Companies Act, 2013, the Company has constituted a Nomination & Remuneration Committee of Directors in May 2013. The terms of reference of the Committee are in line with Regulation 18 of SEBI (LODR) Regulation, 2015 and brief terms of reference are devising the criteria for the appointment, evaluation, policy matters for remuneration and performance appraisal, identifying and recommending the appointment of Key Managerial Personnel & Directors, determining the appropriate size, diversity and composition of the Board, conduct meeting at regular intervals to carry out the functions as assigned by the Board, working with the Board on the leadership succession plan.

ii. Committee Members, its composition & attendance during the year

During the FY-2017-18 the Nomination & Remuneration Committee meeting was held on 9th February, 2018.

The Composition of the Nomination & Remuneration Committee and the details of the meetings attended by the Directors during the year are as given below:

Name	Designation	Category	Committee Meeting attended
Mr. Vijay K Bhandari	Chairman	Independent Director	1
Dr. Arvind K Mehta	Member	Independent Director	1
Dr. Siddhan Subramanian	Member	Independent Director	1

iii. Performance evaluation criteria of Independent Directors.

Pursuant to the provision of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and Guidance Note on Board Evaluation, issued by SEBI, the Board has carried out the annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board and performance of Independent Directors, by way of individual and collective feedback from Directors.

3. Stakeholders Relationship Committee

During the FY 2017-18 Stakeholders Relationship Committee Meeting was held on 13th February, 2018

The Composition of the Shareholders Relationship Committee and the details of the meetings attended by the Directors during the year are given below:

Name	Designation	Category	Meetings attended
Dr. Arvind K Mehta	Chairman	Independent Director	1
Mr. Susheel G Somani	Member	Non-Independent Director	1
Mr. Surendra Somani	Member	Executive Director	1

Status of Shareholder's Complaints for FY 2017-18

Outstanding Complains at the beginning of the year	Received during the year	Resolved during the year	Outstanding Complains at the end of the year
0	3	3	0

4. Corporate Affairs Committee

During the FY 2017-18 Corporate Affairs Committee Meetings were held on 27th June 2017, 25th September 2017, 17th November 2017, 5th January 2018 & 3rd March, 2018.

The Composition of the Corporate Affairs Committee and the details of the meetings attended by the Directors during the year are as given below:

Name	Designation	Category	Committee Meetings attended
Mr. Surendra Somani	Chairman	Executive Director	5
Dr. Arvind K Mehta	Member	Independent Director	5
Mr. Susheel G. Somani	Member	Non-Independent Director	5

5. Corporate Social Responsibility Committee

The CSR Committee is constituted on 24th May, 2017 and one meeting was held on 9th February, 2018.

The Composition of the Corporate Social Responsibility Committee and the details of the Meetings attended by the Directors during the year are as given below:

Name	Designation	Category	Committee Meeting attended
Dr. Sunita Banerji	Chairman	Independent Director	1
Mr. Surendra Somani	Member	Executive Director	1
Mr. Susheel Somani	Member	Non-Independent Director	1

C. Shareholder's Information

i. General Meetings

Location, date and time of Annual General Meetings held during the last three years and number of special resolutions passed

AGM	Date	Day	Time	Location of the Meeting	No. of Special Resolutions passed
56 th	19 th September, 2015	Saturday	3.00 pm	Shri S.K. Somani Memorial Hall, HVB Academy, 79, Marine Drive, Mumbai - 400 020	None
57 th	10 th September, 2016	Saturday	3.00 pm	As above	None
58 th	2 nd September, 2017	Saturday	10.30 am	As above	Two *

* 1. Appointment of Mr. Susheel Somani as a Director.

*2. Re-appointment of Mr. Surendra Somani as Executive Vice Chairman.

ii. General Shareholders Information

- 1) Date, time and venue of 59th AGM : Saturday, 29th September 2018, 11.30 am at Shri S.K. Somani Memorial Hall, 79, Marine Drive, Mumbai – 400 020.
- 2) Date of Book Closure : 29th August, 2018 to 31st August, 2018 (both days inclusive)
- 3) Dividend payment date, if declared at the AGM : No dividend declared
- 4) Listing on Stock Exchanges : BSE Ltd
P. J. Towers, Dalal Street, Mumbai – 400 001.
Phone no. 22721233/34 -66545695
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no.C/1, G Block. Bandra-Kurla Complex, Bandra (E), Mumbai 400 051
Phone no. 26598100-66418100
- 5) Listing fees : Paid as per the listing agreement.
- 6) ISIN No. : INE082A01010

- 7) BSE Scrip code : 524280
NSE Scrip Code : KOPRAN
- 8) Registered office : Kopran Ltd., Parijat House, 1076, Dr.E.Moses Road, Worli, Mumbai-400 018
Tel.No.022-43661111 Fax No.022-24950363, Website : www.kopran.com.
CIN : L24230MH1958PLC011078.
- 9) Registrar & Share Transfer Agent : Bigshare Services Pvt.Ltd., 1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai 400059.
Board No.: 022 62638200 Fax No: 022 62638299
Email : bhagwan@bigshareonline.com
- 10) Investor correspondence : Kopran Ltd., Parijat House, 1076, Dr.E.Moses Road,
Worli, Mumbai – 400 018 Tel.No.022-43661111: Fax No.022-24950363,
Email: investors@kopran.com
- 11) Compliance Officer : Mr. Sunil Sodhani, Company Secretary & Compliance Officer.
Email : sunil@kopran.com Tel No. 022-43661251
- 12) Share Transfer System : The Company's shares are traded compulsorily in Demat segment in BSE Ltd
and National Stock Exchange. Shares in physical segment which are lodged
for transfer are processed by our RTA and returned to the Shareholders
within stipulated time period.
- 13) Financial Calendar for FY 2018-19 : Results for the Quarter ending:
June 30, 2018 – By August 14, 2018
September 30, 2018 - By November 15, 2018
December 31, 2018 – By February 14, 2019
March 31, 2019 – By May 30, 2019
- 14) Dematerializations of shares : As on 31st March, 2018 , 42933422 shares representing 99.26% of Equity
shares are held in demat mode.
- 15) Plant Location : Formulation Unit : Village Savroli, Taluka Khalapur,
District Raigad, Khopoli-410 202
API Unit : Kopran Research Laboratories Ltd. (Subsidiary Company) K-4,
Additional MIDC, Village Birwadi, Near Global Board, Mahad – 402 302.
- 16) Distribution of Shareholding as on 31st March, 2018
By size of shareholdings, Face Value of Equity : Rs.10/-

Range	No. of Shareholders	% of Shareholders	Holdings	% to Capital
01 to 500	29035	82.99	4797450	11.09
501 to 1000	3141	8.98	2671420	6.18
1001 to 2000	1366	3.90	2150773	4.97
2001 to 3000	448	1.28	1168255	2.70
3001 to 4000	212	0.61	771547	1.78
4001 to 5000	244	0.70	1166761	2.70
5001 to 10000	292	0.83	2236624	5.17
10001 and above	250	0.71	28289772	65.41
Grand Total	34988	100.00	43252602	100.00

17) Stock market price data for the year 2017-18:

The monthly movement of equity share price on BSE & NSE is summarized below:

Month	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High	Low	Volume of Shares Traded	High	Low	Volume of Shares Traded
April-17	102.50	75.10	1,04,52,038	102.45	75.10	3,62,27,756
May-17	96.40	78.00	38,71,949	96.60	78.00	1,33,81,702
June-17	89.65	81.00	20,13,608	89.75	81.60	77,76,395
July-17	89.50	81.70	19,01,907	89.80	81.70	84,63,514
August-17	83.80	65.50	10,05,369	83.85	65.35	43,15,502
September-17	80.50	65.25	19,13,069	80.55	65.50	66,81,242
October-17	78.35	68.30	17,66,401	78.30	68.15	66,65,651
November-17	74.40	61.00	12,35,371	74.40	60.30	48,98,300
December-17	72.45	60.00	19,59,197	72.30	59.70	79,28,338
January-18	81.95	66.80	41,20,705	82.00	66.80	1,75,79,411
February-18	80.00	64.10	17,67,505	80.80	64.00	80,93,435
March-18	70.45	54.30	10,84,856	70.50	54.80	35,08,178

18) Yearly Stock Performance vs Benchmark Index

NSE exchange	As on 31 st March, 2017	As on 31 st March, 2018*	Change in %
Nifty (Closing Index)	9174	10114	+10.25%
Nifty Pharma	10411	8358	-19.72%
Kopran Ltd. (Closing Price)	75.95	55.05	-27.52%

*Price taken of the last trading day on 28th March, 2018 of the FY 2017-18

19) Factory Visit

The Company successfully organized Factory Visit for Shareholders on 21st February, 2018 at the Khopoli facility.

20) Data updation for PAN and Bank details of shareholders.

SEBI vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 has intimated all Listed entities and RTA's to strengthen the database of shareholders by collecting additional information on PAN Card and bank details. Letters have been issued to all those shareholders whose information is not complete with regards to PAN Card and Bank details. Members are requested to submit the required information at earliest. Form is annexed with the Annual Report.

iii. Means of communication

The Quarterly Financial Results of the Company for all the quarters i.e 1st quarter, 2nd quarter, 3rd quarter and 4th Quarter was published in Business standard (English) & Tarun Bharat(Marathi). The Financial Results / office news releases are also made available on the Company's website www.kopran.com and also on nseindia.com & bseindia.com

D. General Information

1. Subsidiary Company

The Company has one Material Subsidiary incorporated in India. Regulation 24 of the Listing Regulations requires at least one Independent Director of the listed entity to be a Director on the Board of an unlisted material subsidiary incorporated in India. Dr. Sunita Banerji, an

Independent Director of the Company is appointed as Independent Directors on the Board of Subsidiary Company. The Company monitors performance of subsidiary companies, inter alia by following means

The Company's Audit Committee reviews the Financial Statement of the Subsidiary Companies also, including the investment made by subsidiaries.

- i. The minutes of Board Meetings and Committee Meetings of the subsidiary companies are placed before the Board of Directors at regular interval.
- ii. All significant transaction including Investments of subsidiary company are reviewed periodically by the Company and placed before the Board.
- iii. The Company has formulated a policy for determining material subsidiaries and the Policy is disclosed on the Company's website at <http://www.kopran.com/pdf/material%20subsidiary%20policy.pdf>

2. Outstanding GDR / ADR/ Warrant or any convertible instruments, conversion date and likely impact on Equity.

The Company has no Outstanding GDR / ADR/ Warrant or any convertible instruments as on 31st March, 2018.

3. Foreign Exchange Risk and hedging activities:

The Company's Sales is mainly in exports and it is exposed to fluctuations in foreign exchange rates. The Management however takes appropriate hedging strategies which limits the risk. The details of the Company's Foreign Exchange hedging activities is included in Notes to Financial Statements.

4. Disclosures

- i. There were no related party transactions that may have potential conflict with the interests of the Company at large. The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website at the following web link: <http://kopran.com/pdf/Policy%20on%20related%20party%20transaction.pdf>
- ii. The Company has complied with the requirements of the Stock Exchange, SEBI and other Statutory Authorities on all matters relating to Capital Markets during the last three years. No penalties or strictures were imposed on the Company by these authorities.
- iii. The Company has complied with all mandatory requirements of Listing Regulations with the Stock Exchanges as on 31st March, 2018.
- iv. Adoption / non adoption of non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations as at 31st March, 2018 is as under:
 - (a) The Company does not maintain an office for the Non-Executive Chairman
 - (b) As the Financial Results are published in the newspaper as well as displayed on the Company's website, the Results are not sent to household of each of the Shareholders.
 - (c) The auditors have issued an unqualified opinion for financial statements for the year ended 31st March, 2018.
 - (d) The Company is already having separate posts for Chairman and Managing Director.
 - (e) Internal Auditor reports to Audit Committee.

CEO & CFO Certificate

The Board of Directors
Kopran Limited

Dear members of the Board,

We, Surendra Somani, Executive Vice Chairman and Basant Kumar Soni, Chief Financial Officer of Kopran Limited, to the best of our knowledge and belief, certify that :

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement of the Company and all the notes on accounts and the Board's report for FY 2017-18.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the Internal control systems of the Company pertaining to financial reporting;
6. We have disclosed, based on our most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors, all significant deficiencies in the design or operation of Internal controls, if any, of which they are aware and the steps taken or proposed to be taken to rectify the deficiencies;
7. We have indicated to the Auditors and the Audit Committee:
 - a. Significant changes in the Company's Internal control over financial reporting during the year.
 - b. All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
 - c. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's Internal control system over financial reporting.
8. We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
9. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct for the year covered by this report.

Mumbai
Date: 29th May, 2018

Mr. Surendra Somani
Executive Vice Chairman

Mr. Basant Kumar Soni
Chief Financial Officer

CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

**TO
THE MEMBERS OF KOPRAN LIMITED**

We have examined the compliance of the conditions of Corporate Governance procedures implemented by Kopran Limited (the "Company") for the financial year ended on 31st March, 2018 as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For GMJ & ASSOCIATES
COMPANY SECRETARIES

(CS PRABHAT MAHESHWARI)
PARTNER
C.P. NO. 1432
F.C.S NO. 2405

PLACE: MUMBAI
DATE : 29th MAY, 2018

Annexure D

(TO THE DIRECTOR'S REPORT)

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,
The Members,
Kopran Limited
Parijat House,
1076, Dr. E. Moses Road,
Worli, Mumbai – 400 018.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kopran Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2018 complied with the statutory provisions of the applicable Acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Kopran Limited for the Financial Year ended on 31st March, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Companies Amendment Act, 2017 (to the extent notified);
- iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iv. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- v. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- vi. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Not applicable during the period of audit];
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; [Not applicable during the period of audit];
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008; [Not applicable during the period of audit];
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not applicable during the period of audit] and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not applicable during the period of audit]
- vii. Other laws applicable specifically to the Company namely:
 - a) Drugs and Cosmetics Act, 1940 and Rules made there-under;
 - b) Drugs Price Control Order, 2013;

- c) National Pharmaceuticals Pricing Policy, 2012;
- d) The Pharmacy Act, 1948;
- e) The Narcotic Drugs and Psychotropic Substances Act, 1985;
- f) The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;
- g) Food Safety and Standards Act, 2006.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards with respect to Board and General Meetings (SS-1 and SS-2) specified by The Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with BSE Limited and National

Stock Exchange of India Limited read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Board Committee Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions are carried out unanimously at Board Meetings and Committee Meetings and recorded in the minutes of the meeting of the Board of Directors or Committees of the Board, as the case may be.

We further report that based on the information provided and the representation made by the Chief Financial Officer/Company Secretary and taken on record by the Board of Directors of the Company, in our opinion, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed, the Company has responded appropriately to notices received from various statutory/ regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period, the Company had no events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

For GMJ & Associates
Company Secretaries

[CS PRABHAT MAHESHWARI]
PARTNER
FCS NO.:2405
COP NO.:1432

PLACE: MUMBAI
DATE : 29th MAY, 2018

Note: This report is to be read with our letter of even date that is annexed as Annexure I and forms an integral part of this report.

ANNEXURE I

To,
The Members,
Kopran Limited
Parijat House, 1076, Dr. E.Moses Road,
Worli, Mumbai – 400 018.

Our report of even date is to be read along with this letter.

- i. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- iii. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- iv. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
- v. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- vi. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For GMJ & ASSOCIATES
Company Secretaries
[CS PRABHAT MAHESHWARI]
PARTNER
FCS No.: 2405, COP No. : 1432

PLACE: MUMBAI
DATE : 29th MAY, 2018

Annexure E

(TO THE DIRECTOR'S REPORT)

Information required under section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 pertaining to Conservation of energy, Technology absorption, Foreign exchange earnings and outgo

A. CONSERVATION OF ENERGY

1. The company has replaced 75W CFL conventional lights by energy efficient of 5W-15W of 2500 tube light fixtures, which reduced the electricity consumption at Production Pen & Non Pen Plant including other areas.
2. Street Lights: Replaced 250W CFL conventional lights by energy efficient of 60W LED of 25 street pole light i.e. reduced energy consumption from 12 KW to 1.2 KW per Hrs & saved 10.5 KW per Hrs.
3. Soft starter installed at various locations instead of earlier DOL starter.
4. Automatic Power factor Control: There is reduction in usage of current which ultimately saves energy
5. Screw Chiller 350 TR installed in place of reciprocation compressor. Screw chiller drew two third current as compare to reciprocating compressor. Saving 150 KW per Hrs.
6. VFD :There are MD Controller panel for controlling usage of Electrical power at factory and temperature Monitoring Device along with controlling Cooling tower fan auto switching system to reduce fuel power consumption. VFD is installed at various loads to save electrical power.

B. TECHNOLOGY ABSORPTION

The Company has focused on new product development for both the Finished Dosage Forms and the Active Pharmaceutical Ingredients. During the year, several new products were developed in the field of Oncology, Pain Management, Anti-infective and Cardiac therapies. New products developed for the Finished Dosage Forms include Hydroxychloroquine, Amiodarone, Verapamil, Doxycycline, Metformin, Amoxycylav and Doxycycline which are focused for the US, EU & ROW markets. New products developed for Active Pharmaceutical Ingredients are Dabigatrin, Apixaban, Rivaroxaban, Chlortalidone, Tebipenem, Imipenem, Ertapenem and Azithromycin (Borohydrate route).

1. Efforts made towards Technology Absorption
 - a. Literatures searched through Scifinder, internet, books etc. and identify scope of improvement of product development, cost reduction in existing products. Identify new molecules suitable for existing bench scale.
 - b. Conduct Laboratory trials for identified products, developed products, generate documents like SLP, TTD, PDR etc.
 - c. Conduct Pilot plant validation for developed products, kept for stability e.g. Nitroxelene, Ticagralor.
 - d. Transfer technology to Commercial level of new product e.g. Lyme cycline, Biapenem, Pregabalin (Enzyme route)
2. Benefits derived like product improvement, cost reduction, product development or import substitution
 - a. Developed new Resin technology in Atenolol to removal of waste e.g. Carbon.
 - b. Adopt press filter technology for filtration to improve quality as well as reduce time cycle in Atenolol.
 - c. Improved yield in CMMHA from 1.42 to 1.67 w/w ultimately reduced cost in Pregabalin
 - d. Improved yield in Metoprolol Succinate and Tartrate from 1.62 to 1.70 w/w. Plant validation of Metoprolol tartrate completed.
 - e. Improved yield in Azithromycin from 0.93 to 0.96 w/w

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings: Rs.13,174.64 Lakhs (Previous year: Rs. 14,964.73 Lakhs)
Outgo : Rs.770.81 Lakhs (Previous year :Rs. 779.99 Lakhs)

Annexure F

(TO THE DIRECTOR'S REPORT)

Details of Unclaimed Suspense Account as per the provisions of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	None
Number of shareholders who approached the company for transfer of shares from suspense account during the year	None
Number of shareholders to whom shares were transferred from suspense account during the year	None
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	None

Annexure G

(TO THE DIRECTOR'S REPORT)

As per the provision of section 197 of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2016 every listed company are required to disclose following information in Board Report.

Ratio of Remuneration of each Director to the median Remuneration of the Employees of the Companies for the Financial Year.

Name	Ratio to employees
Surendra Somani – Executive Vice Chairman	1:0.0158

Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the Financial Year.

Name	% increase
Surendra Somani – Executive Vice Chairman	No change
Basant Kumar Soni – Chief Financial Officer	10.15%
Sunil Sodhani – Company Secretary & Compliance Officer	7.40%

Percentage increase in the median remuneration of employee in the financial year	-10.56%
Number of permanent employees on the Roll of the Company	346
Average percentile increase already made in the Salaries of the employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in the Managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial remuneration. :	
Average increase in Managerial Remuneration is 14% and Average increase in Non-managerial person is 29%.	

We affirm that the Remuneration paid to the Managerial and Non-Managerial Personnel is as per the Remuneration policy of the Company.

On behalf of the Board of Directors

Surendra Somani
Executive Vice Chairman

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF,
KOPRAN LIMITED**

1 Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of KOPRAN LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS financial statements").

2 Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3 Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

4 Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

5 Other Matters

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements, prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 24, 2017 and May 30, 2016, respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

6 Report on Other Legal and Regulatory Requirements

- (A) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (B) As required by Section 143 (3) of the Act, based on our audit, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact, of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements – Refer note no. 36 to the standalone Ind AS financial statements;
 - (ii) As at March 31, 2018, the Company did not have any outstanding long term contracts. Provision has been made, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts – Refer Note No. 50(a) to the standalone Ind AS financial statements;
 - (iii) There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company during the year - Refer Note No. 50(b) to the standalone Ind AS financial statements; and
 - (iv) The disclosure regarding details of Specified Bank Notes held and transacted during November 08, 2016 to December 30, 2016 has not been made since the requirement does not pertain to financial year ended March 31, 2018.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No.: 105049W

(S. S. SHAH)
PARTNER
Membership No.: 33632

Place: Mumbai
Date : May 29, 2018

Annexure “A” to the Independent Auditors’ Report

(Referred to in paragraph 6A under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- i a The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
- b The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii The management has conducted physical verification of inventory once at the year-end, which, in our opinion, is reasonable. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account. In respect of inventories lying with third parties, these have substantially been confirmed by them.
- iii According to information and explanations given to us, the Company has granted unsecured loans to a subsidiary company covered in the register maintained under Section 189 of the Act. The Company has not granted any secured / unsecured loans to firms, LLPs or other parties covered in the register maintained under Section 189 of the Act.
 - a In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company’s interest.
 - b The repayment terms are not stipulated as the loans are repayable on demand and the parties are regular in payment of interest.
 - c There were no amounts outstanding as at the year end.
- iv In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v According to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of sections 73 to 76 of the Act or any other provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii (a) According to the information and explanations given to us and records examined by us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Service Tax and any other material statutory dues, as applicable to it, with the appropriate authorities.
- (b) According to information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, duty of Excise, Cess, Goods and Service Tax and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Service Tax which have not been deposited on account of any dispute, amount involved and the forum where dispute is pending are as under:

(₹ in Lakhs)

Name of the Statute	Nature of Dues	Amount Involved (₹ in Lakhs)	Period to which Amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	8.52	2002-03	High Court
	Excise Duty	1.46	2011-12	Joint Secretary
	Excise Duty	2.70	2005-06	
	Excise Duty	2.27	2012-13	
	Excise Duty	0.44	2014-15	Commissioner of Central Excise
	Excise Duty	1.51	1990-91	Central Excise and Service Tax Appellate Tribunal
	Cenvat Credit	0.07	2015-16	Commissioner of Goods and Service Tax
	Cenvat Credit	1.09	2014-15	
	Cenvat Credit	10.56	2013-14	
	Cenvat Credit	91.66	2013-14	High Court, Mumbai
Service Tax Act Chapter V of the Finance Act, 1994	Service Tax	38.99	2001-02	High Court, Mumbai
		475.00	2006-07	
Drug Price Control Order-95 (DPCO - 95)	Difference in Pricing	591.34	2002-03	High Court, Mumbai

- viii In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institutions and there are no loans or borrowings from Government and the Company has not issued any debentures.
- ix The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- x During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees, has been noticed or reported during the year, nor have we been informed of any such case by the management.
- xi According to the information and explanations given to us and the books of accounts verified by us, the Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of section 197 read with the Schedule V to the Companies Act, 2013.
- xii In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the said Order is not applicable to the Company.
- xiii According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv According to information and explanations given to us and based on our examination of the records of the Company, during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the said Order is not applicable to the Company.

- xv According to the information and explanations given to us and based on our examination of the records of the company, the Company has not entered into any non-cash transactions for acquisition of assets for consideration other than cash referred to in section 192 of the Act with its directors or persons connected with them.
- xvi According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No.: - 105049W

S. S. SHAH
Partner
Membership No. 33632

Place: - Mumbai
Date : - May 29, 2018

Annexure “B” to the Independent Auditors’ Report

(Referred to in paragraph 6B(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

We have audited the internal financial controls over financial reporting of **KOPRAN LIMITED** (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India and the Standards on Auditing as specified under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the criteria for internal control over financial reporting established by the Company considering the essential components of internal controls stated in the Guidance Note.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No.: - 105049W

S. S. SHAH
Partner
Membership No. 33632

Place: - Mumbai
Date : - May 29, 2018

BALANCE SHEET AS AT 31st MARCH, 2018

(₹ in Lakhs)

Particulars	Notes No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
1. Non - current assets				
Property, plant and equipment	5	3,804.91	3,921.71	3,497.84
Capital work-in-progress		528.15	296.11	19.25
Other intangible assets	6	9.96	12.29	-
Intangible assets under development		256.24	148.17	-
Financial assets				
Investments	7	15,691.72	15,660.44	15,600.38
Loans	8	129.05	127.88	117.54
Deferred tax assets (net)	9	376.04	492.16	590.85
Other non - current assets	10	26.12	31.64	339.75
Total non - current assets		20,822.19	20,690.40	20,165.61
2. Current assets				
Inventories	11	2,975.45	2,509.39	2,812.73
Financial assets				
Trade receivables	12	2,013.03	3,833.47	1,813.78
Cash and cash equivalents	13	26.94	42.37	46.69
Bank balances other than cash and cash equivalents above	14	125.92	129.99	361.24
Loans	15	487.29	529.57	430.45
Others	16	236.51	317.30	27.06
Current tax assets (net)	17	-	25.88	26.68
Other current assets	18	3,349.58	3,000.68	2,625.86
Total current assets		9,214.72	10,388.65	8,144.49
Total Assets		30,036.91	31,079.05	28,310.10
EQUITY AND LIABILITIES				
Equity				
Equity share capital	19	4,324.89	4,324.89	4,324.89
Other equity	20	16,249.86	15,769.07	14,920.65
Total Equity		20,574.75	20,093.96	19,245.54
LIABILITIES				
1. Non - current liabilities				
Financial liabilities				
Borrowings	21	2,189.18	2,805.82	2,625.10
Provisions	22	281.49	258.33	255.42
Total non - current liabilities		2,470.67	3,064.15	2,880.52
2. Current liabilities				
Financial liabilities				
Borrowings	23	2,356.45	2,150.51	1,115.98
Trade payables	24	2,977.21	3,590.83	3,563.75
Other financial liabilities	25	1,307.77	1,516.75	1,349.05
Other current liabilities	26	208.75	327.28	117.43
Provisions	27	60.75	42.01	37.83
Current tax liabilities (net)	28	80.56	293.56	-
Total current liabilities		6,991.49	7,920.94	6,184.04
Total equity and liabilities		30,036.91	31,079.05	28,310.10
Corporate information	1			
Significant accounting policies	2			
The accompanying notes form an integral part of the standalone financial statements	5 to 55			

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No: - 033632

Place: Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

DR. ARVIND K. MEHTA
Director
DIN: 01588835

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

Particulars	Notes No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I INCOME			
Revenue from operations	29	15,370.55	18,165.61
Other income	30	785.96	912.25
Total Income		16,156.51	19,077.86
II EXPENSES			
Cost of materials consumed	31	8,004.89	8,228.88
Purchases of stock-in-trade		1,525.00	2,663.65
Changes in inventories of finished goods and work-in-progress	32	(405.64)	30.96
Employee benefits expense	33	1,833.87	1,911.60
Finance costs	34	663.36	978.85
Depreciation and amortization expense	1 & 2	322.18	333.54
Other expenses	35	3,516.76	3,595.12
Total Expenses		15,460.42	17,742.60
Profit before exceptional items and tax		696.09	1,335.26
Exceptional items (net)		-	-
Profit before tax		696.09	1,335.26
Tax Expense	48		
(1) Current Tax		114.70	293.56
(2) Deferred Tax	48(d)	110.71	99.86
(3) Taxation adjustment of earlier years		-	91.41
Net tax expense		225.41	484.83
Profit for the Year		470.68	850.43
Other comprehensive income for the year			
(i) Items that will not be reclassified subsequently to profit or loss			
a) Net changes in fair value of investments in equity shares carried at fair value through OCI		0.03	0.16
b) Remeasurement of defined employee benefit plans [write back / (expenses)]		15.49	(3.34)
Income tax effect on remeasurement of defined employee benefit plans [(charge) / credit]		(5.41)	1.17
ii) a) Items that will be reclassified to profit or loss		-	-
b) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income / (loss) for the year		10.11	(2.01)
Total comprehensive income for the year		480.79	848.42
Earnings per equity share (₹)	37		
Basic and diluted-par value of Rs. 10 per share		1.09	1.97
Corporate information	1		
Significant accounting policies	2		
The accompanying notes form an integral part of the standalone financial statements	5 to 55		

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No: - 033632

Place: Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

DR. ARVIND K. MEHTA
Director
DIN: 01588835

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

Statement of changes in equity for the year ended March 31, 2018

A) Equity share capital

(₹ in Lakhs)

Particulars	Amount
As at April 1, 2016	4,324.89
Changes in equity share capital	-
As at March 31, 2017	4,324.89
Changes in equity share capital	-
As at March 31, 2018	4,324.89

B) Other equity

Particulars	Reserve and surplus					Other comprehensive income		Total
	Capital reserve	General reserve	Securities premium reserve	Export allowance reserve	Retained earnings	Equity instruments through OCI	Remeasurements of net defined benefit plans	
As at April 1, 2016	1,484.74	814.21	12,256.20	0.40	284.04	(6.48)	87.54	14,920.65
Profit for the year	-	-	-	-	850.43	-	-	850.43
Other comprehensive income for the year	-	-	-	-	-	0.16	(2.17)	(2.01)
As at March 31, 2017	1,484.74	814.21	12,256.20	0.40	1,134.47	(6.32)	85.37	15,769.07
Profit for the year					470.68			470.68
Other comprehensive income for the year						0.03	10.08	10.11
As at March 31, 2018	1,484.74	814.21	12,256.20	0.40	1,605.15	(6.29)	95.45	16,249.86

The Description of the nature and purpose of each reserve within equity is as follows:

a) Capital reserve:

Capital reserves are mainly the reserves created by way of forfeiting the deposits received against the share warrants issued in the earlier years and the merger of 'Kopran Pharmaceuticals Ltd.' with the Company, pursuant to the scheme of arrangement and amalgamation sanctioned by the Hon'ble High court of judicature at Bombay in the financial year 2004-05.

b) General reserve:

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

c) Securities premium reserve:

Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc

d) Retained earnings:

Retained earnings are the profits that the company has earned till date less any transfer to general reserve, dividends or other distributions paid to the shareholders

e) Equity instruments through OCI:

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

Corporate information	1
Significant accounting policies	2
The accompanying notes form an integral part of the standalone financial statements	5 to 55

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No: - 033632

Place: Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

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DR. ARVIND K. MEHTA
Director
DIN: 01588835

SUNIL SODHANI
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

PARTICULARS	Year ended 31st March, 2018	Year ended 31st March, 2017
Cash flow from operating activities		
Net Profit before tax	696.09	1,335.26
Adjustments for:		
Depreciation and amortisation expense	322.18	333.54
Dividend income	(0.13)	(0.07)
Finance cost	663.36	978.85
Interest income	(60.85)	(37.24)
Unrealised foreign exchange (gain) / loss (net)	(264.25)	88.13
Provision / write off for expected credit loss / trade receivables / advances (net)	6.51	254.89
Liabilities written back (net)	(0.43)	(8.26)
Financial guarantee Income	(62.50)	(28.65)
Operating profit before wokring capital changes	1299.98	2916.45
Movements in working capital		
(Increase) / Decrease in inventories	(466.06)	303.34
Decrease / (increase) in trade receivables	1,878.71	(2,246.62)
Decrease / (increase) in Loans	40.78	(109.56)
Decrease / (increase) in other financial assets	316.27	(316.27)
Increase in other current / non-current assets	(355.38)	(111.14)
Increase / (Decrease) in trade payables	(586.16)	(88.91)
Increase in provisions	57.39	3.75
(Decrease) / Increase in other financial liabilities	(219.72)	(27.71)
(Decrease) / Increase in other current liabilities	(86.85)	186.86
Cash generated from operations	1,878.96	510.19
Direct taxes paid (Net of refunds)	(301.82)	(90.61)
Net cash flow from operating activities (A)	1,577.14	419.58
Cash flow (used in) / from investing activities		
Purchase of fixed assets, including capital work-in-progress, capital advance and creditors for capital goods	(423.38)	(1,022.02)
Purchase of intangibles including Intangible assets under development	(108.07)	(160.86)
Bank balances other than cash and cash equivalents above	4.07	231.25
Decrease / (increase) in other financial assets	(53.69)	26.03
Interest income	60.85	37.24
Dividend income	0.13	0.07
Net cash flow used in investing activities (B)	(520.09)	(888.29)
Cash flow (used in) / from financing activities		
Proceeds from long-term borrowings (Net)	8.63	(1,585.71)
Current maturities of long-term debt	3.70	222.66
Inter corporate deposits	(625.27)	1,766.43
Proceeds from short-term borrowings (Net)	197.75	1,034.53
Interest paid	(656.03)	(973.52)
Net cash flow (used in) / from financing activities (C)	(1,071.22)	464.39
Net increase in cash and cash equivalents (A+B+C)	(14.17)	(4.32)
Cash and cash equivalents at the beginning of the year	42.37	46.69
Effect of exchange rate changes on sash and cash equivalents	(1.26)	-
Cash and cash equivalents at the end of the year (Refer Note No. 13)	26.94	42.37

Note:

The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 - "Statement of Cash Flow".

Corporate Information

1

Significant accounting policies

2

The accompanying notes form an integral part of the standalone financial statements

5 to 55

As per our report of even date

For **Khandelwal Jain & Co**

Chartered Accountants

Firm Registration No: - 105049W

S. S. Shah

Partner

Membership No: - 033632

Place: Mumbai

Date : May 29, 2018

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

DR. ARVIND K. MEHTA
Director
DIN: 01588835

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

Notes form an integral part of the standalone financial statements

1) CORPORATE INFORMATION

Kopran Limited (KL) ("the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

The Company is engaged in the business of manufacturing of formulation (finished dosage form).

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

The financial statements were authorised for issue by the board of directors on May 29, 2018.

2) SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Compliance with Ind AS

In accordance with the notification dated February 16, 2015, issued by the ministry of corporate affairs, the company has adopted Indian accounting standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2016.

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 01, 2016. Refer Note No. 4 for details of First-time adoption - mandatory exceptions and optional exemptions availed by the Company.

Up to the year ended March 31, 2017, the company had prepared the financial statements under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles (Previous GAAP) applicable in India and the applicable accounting standards as prescribed under the provisions of the companies Act, 2013 read together with the relevant rules thereunder.

- Land and buildings classified as property, plant and equipment
- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Contingent consideration, and
- Non-cash distribution liability."

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

In accordance with Ind AS 101-"First time adoption of Indian accounting standards" (Ind AS 101), the company has presented a reconciliation of shareholders' equity under previous GAAP and Ind AS as at March 31, 2017, and April 01, 2016 and of the net profit as per previous GAAP and total comprehensive income under Ind AS for the year ended March 31, 2017.

Historical cost convention

The Financial Statements have been prepared on the historical cost basis except for the followings:

- Certain financial assets and liabilities and contingent consideration that is measured at fair value;
- Assets held for sale measured at fair value less cost to sell;
- Defined benefit plans plan assets measured at fair value; and
- Derivative financial instruments;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Financial statements are presented in indian rupees in lakhs and all values are rounded to the nearest in two decimal point except where otherwise stated.

2.2 Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.3 Summary of significant accounting policies

(a) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the functional currency spot rate of exchange at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(b) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The company categorizes assets and liabilities measured at fair value into one of three levels as follows:

- **Level 1 — Quoted (unadjusted)**

This hierarchy includes financial instruments measured using quoted prices.

- **Level 2**

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- **Level 3**

Level 3 inputs are unobservable inputs for the asset or liability.

(c) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and are disclosed separately under the head "other current assets". once classified as held for sale are not depreciated or amortised.

(d) Property, plant and equipment

For transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment (PPE) recognized as of April 01, 2016 (transition date) measured as per the previous GAAP and used that carrying value as its deemed cost as on the transition date.

PPE are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of recoverable taxes) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management. It include professional fees and borrowing costs for qualifying assets.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment are disclosed as "Capital advances" under "other non-current Assets" and the cost of assets not ready intended use as at the balance sheet date are disclosed as 'Capital work-in-progress'.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss when the asset is derecognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Depreciation methods, estimated useful lives and residual value

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is calculated on straight line basis using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset.

On assets acquired on lease (including improvements to the leasehold premises), amortization has been provided for on straight line method over the period of lease.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

(e) Intangible assets

For transition to Ind AS, the Company has elected to continue with the carrying value of intangible assets recognized as of April 01, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as on the transition date.

Intangible assets are stated at cost (net of recoverable taxes) less accumulated amortization and impairment loss. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end and if necessary, changes in estimates are accounted for prospectively.

Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use it
- There is an ability to use the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use the software are available, and
- The expenditure attributable to the software during its development can be reliably measured.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the statement of profit and loss when the asset is derecognized.

Amortisation methods and periods

Intangible assets comprising of goodwill is amortized on a straight line basis over the useful life of five years which is estimated by the management.

Amortization on subsequent expenditure on intangible assets arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

(f) Impairment of non financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless

the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

(g) Leases

(i) As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(h) Inventories

Raw materials, stores and spares and packing material are valued at lower of cost and net realizable value.

Work-in-progress, finished goods and stock-in-trade are valued at lower of cost and net realizable value. Cost of Raw Materials, Stores & Spares and Packing Materials is determined using first in first out (FIFO) method. Cost of work-in-progress and finished goods is determined on absorption costing method.

(i) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The company collects taxes such as sales tax/value added tax, service tax and goods & service tax, etc on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from the aforesaid revenue/ income.

The following are the specific revenue recognition criteria:

- (i) Revenue from sale of goods is recognized when all the significant risk and rewards of ownership of the goods have been passed to the buyer.
- (ii) Revenue from services are recognised as they are rendered based on agreements/ arrangements with the concerned parties.

(iii) Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

(iv) Dividend income

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(j) Taxes

(i) Current income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Minimum alternate Tax

MAT payable for a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probable certainty that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is shown as 'MAT credit entitlement' under deferred tax. The company reviews the same at each reporting date and writes down the asset to the extent the company does not have the probable certainty that it will pay normal tax during the specified period.

(k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)

- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(i) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Debt instrument at FVTOCI

A 'debt instrument' is measured as at FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

(iv) Equity instruments measured at FVTOCI

All other equity investments are measured at fair value, with value changes recognized in statement of profit and loss, except for those equity investments for which the company has elected to present the value changes in 'other comprehensive income'.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(v) Cash and Cash equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Investments in subsidiaries, Associates and Joint Ventures

The Company has accounted for its subsidiaries, Associates and Joint Ventures at cost.

De-recognition

A financial asset is de-recognized only when

- The company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL), simplified model approach for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income / expense in the statement of profit and loss.

Financial liabilities**Classification as debt or equity**

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments.

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting year. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(ii) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

(iii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value and if not designated as at FVTPL, are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The company uses derivative financial instruments, such as forward currency contracts, full currency swap, options and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the company formally designates and documents the hedge relationship to which the company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedges

The effective portion of changes in the fair value of the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(l) Convertible financial instrument

Convertible instruments are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible instrument based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(m) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans viz. gratuity,
- (b) defined contribution plans viz. provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are disclosed as "remeasurements of net defined benefit plans" under the head "other comprehensive income" in the statement of changes in equity.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(vi) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

(n) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation and a reliable estimate can be made of the amount of obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate,

the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

Claims against the company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(o) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the year in which they are incurred.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

(p) Segment Reporting - Identification of Segments

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by geographic segments.

(q) Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

(r) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with banks having the maturity of three months or less which are subject to insignificant risk of changes in value.

(s) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(t) Dividends

The company recognises a liability to make dividend distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(u) Significant accounting judgements, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of non current assets, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities and fair value measurement.

(i) Impairment of non - financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the Company.

(ii) Useful lives of property, plant and equipment

The company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(iii) Valuation of deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(iv) Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(v) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

(vi) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

3) RECENT ACCOUNTING PRONOUNCEMENTS

Application of new and revised Ind ASs

Ministry of corporate affairs ("MCA") through companies (Indian accounting standards) amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the company has not applied as they are effective for annual periods beginning on or after April 01, 2018:

Ind AS 115 revenue from contracts with customers Ind AS 21 The effect of changes in foreign exchange rates

The company is evaluating the impact of these pronouncements on the financial statements.

(a) Ind AS 115 – Revenue from contracts with customers

On March 28, 2018, Ministry of corporate affairs ("MCA") has notified the Ind AS 115, revenue from contract with customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers

in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- accounting policies, changes in accounting estimates and errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 01, 2018.

The company is in the process of making an assessment of the impact of Ind AS 115 upon initial application.

(b) Appendix B to Ind AS 21, foreign currency transactions and advance consideration

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.

4) OVERALL PRINCIPLES

The Company has prepared the opening balance sheet as per Ind AS as of April 01, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from Previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognized assets and liabilities. However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the company as detailed below:

4.1 First time adoption of Ind AS

The accounting policies set out in Note No. 2 have been applied in preparing the financial statements for the year ended March 31, 2018 and March 31, 2017.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS as at the transition date, i.e. April 01, 2016.

(a) Ind AS optional exemptions

(i) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and Investment Property covered by Ind AS 40 Investment Properties.

Accordingly, the company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

(ii) Designation of previously recognized financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The company has elected to apply this exemption for its investment in equity instruments.

(iii) Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The company has elected to apply this exemption for such contracts / arrangements.

(iv) Impairment of financial assets

The company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

(v) Investments in subsidiaries, associates and joint ventures

The company has elected to measure investment in subsidiaries, associates and joint ventures at cost.

(b) Ind AS mandatory exceptions

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made in for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(ii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly, classification and measurement of financial asset has been based on the facts and circumstances that exist at the date of transition to Ind AS.

Notes form an integral part of the standalone financial statements

5) PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer	Total
A. Gross amount								
As At April 1, 2016 (Deemed cost)	5.60	906.92	2,380.96	67.29	98.54	9.47	29.06	3,497.84
Additions	439.01	-	258.92	17.22	23.00	10.55	8.31	757.01
Disposals	-	-	-	-	-	-	-	-
As At March 31, 2017	444.61	906.92	2,639.88	84.51	121.54	20.02	37.37	4,254.85
Additions	-	6.14	144.81	4.09	32.57	5.22	10.22	203.05
Disposals	-	-	-	-	-	-	-	-
As At March 31, 2018	444.61	913.06	2,784.69	88.60	154.11	25.24	47.59	4,457.90
B. Accumulated depreciation and impairment								
As At April 1, 2016 (Deemed cost)	-	-	-	-	-	-	-	-
Depreciation	-	46.53	240.07	10.04	17.17	3.86	15.47	333.14
Adjustments	-	-	-	-	-	-	-	-
As At March 31, 2017	-	46.53	240.07	10.04	17.17	3.86	15.47	333.14
Depreciation	-	46.60	231.07	10.67	17.57	4.73	9.21	319.85
Adjustments	-	-	-	-	-	-	-	-
As At March 31, 2018	-	93.13	471.14	20.71	34.74	8.59	24.68	652.99
C. Net carrying amount								
As At April 1, 2016 (Deemed cost)	5.60	906.92	2,380.96	67.29	98.54	9.47	29.06	3,497.84
As At March 31, 2017	444.61	860.39	2,399.81	74.47	104.37	16.16	21.90	3,921.71
As At March 31, 2018	444.61	819.93	2,313.55	67.89	119.37	16.65	22.91	3,804.91

Note

The company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount at the date of transition to Ind AS. refer note 4.1(a)(i).

6) INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Product development cost	Total
A. Gross amount		
As At April 1, 2016 (Deemed cost)	-	-
Additions	12.69	12.69
Disposals	-	-
As At March 31, 2017	12.69	12.69
Additions	-	-
Disposals	-	-
As At March 31, 2018	12.69	12.69
B. Accumulated amortisation (Deemed cost)		
As At April 1, 2016		
Amortisation	0.40	0.40
Disposals	-	-
As At March 31, 2017	0.40	0.40
Amortisation	2.33	2.33
Disposals	-	-
As At March 31, 2018	2.73	2.73
C. Net carrying amount		
As At April 1, 2016 (Deemed cost)	-	-
As At March 31, 2017	12.29	12.29
As At March 31, 2018	9.96	9.96

Note

The company has elected to measure all its intangible assets at the previous GAAP carrying amount at the date of transition to Ind AS. refer note 4.1(a)(i).

7) NON - CURRENT FINANCIAL ASSETS - INVESTMENT

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Investments in equity instruments - Quoted - (at fair value through other comprehensive income (FVTOCI))			
200 shares (March 31, 2017: 200, April 1, 2016: 200) of Himachal Futuristic Communication Ltd.	0.05	0.03	0.03
2,874 shares (March 31, 2017: 2,874, April 1, 2016: 2,874) of IMP Power Ltd.	2.56	2.55	2.46
30 shares (March 31, 2017: 30, April 1, 2016: 30) of Advent Computers Ltd.	-	-	-
Sub - Total	2.61	2.58	2.49
b) Investments in equity instruments - Unquoted - (at fair value through other comprehensive income (FVTOCI))			
20,000 shares (March 31, 2017: 20,000, April 1, 2016: 20,000) of Kapol Co-Op. Bank Ltd.	2.00	2.00	2.00
1,000 shares (March 31, 2017: 1,000, April 1, 2016: 1,000) of Saraswat Co-Op. Bank Ltd.	1.64	1.64	1.56
500 shares (March 31, 2017: 500, April 1, 2016: 500) of the New India Co-Op. Bank Ltd.	0.26	0.26	0.26
25,000 shares (March 31, 2017: 25,000, April 1, 2016: 25,000) of Mandvi Co-Op. Bank Ltd.	2.50	2.50	2.50
Less: Provision for impairment in value of investments	(4.50)	(4.50)	(4.50)
Sub - Total	1.90	1.90	1.82
c) Investments in Government securities (non-trade) - (at amortised cost)			
7 years national savings certificate (lodged with collector of central excise and sales tax authority- Mumbai)	0.40	0.40	0.40
d) Investments in equity instruments			
Wholly owned subsidiary companies at cost: (Unquoted) - (at amortised cost)			
2,318,750 shares (March 31, 2017: 2,318,750, April 1, 2016: 2,318,750) of Kopran (H.K.) Limited, Hong Kong	100.06	100.06	100.06
50,000 shares (March 31, 2017: 50,000, April 1, 2016: 50,000) of Kopran Lifesciences Ltd.	5.00	5.00	5.00
19,900,000 shares (March 31, 2017: 19,900,000, April 1, 2016: 19,900,000) of Kopran Research Laboratories Limited	15,581.75	15,550.50	15,490.61
Sub - Total	15,686.81	15,655.56	15,595.67
Total	15,691.72	15,660.44	15,600.38
Aggregate amount of quoted Investments	8.65	8.65	8.65
Market value of quoted investments	2.61	2.58	2.49
Aggregate amount of unquoted Investments	15,693.21	15,661.96	15,601.99
Aggregate amount of impairment in value of investments	4.50	4.50	4.50

8) NON - CURRENT FINANCIAL ASSETS - LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good			
Security Deposits	129.05	127.88	117.54
Total	129.05	127.88	117.54

9) DEFERRED TAX ASSETS (NET)

Deferred tax liabilities (Gross)			
Relating to depreciation on fixed assets (a)	522.13	513.87	492.40
Deferred Tax Assets (Gross)			
Provision for gratuity	88.03	81.45	71.42
Provision for leave encashment	31.56	23.50	31.05
Unabsorbed depreciation	294.00	484.57	917.80
Provision for expected credit loss	8.74	68.10	66.77
Provision for bonus	0.07	(12.66)	(3.79)
(b)	422.40	644.96	1,083.25
MAT credit entitlement (c)	475.77	361.07	-
Net deferred tax assets - (b) + (c) - (a)	376.04	492.16	590.85

10) OTHER NON - CURRENT ASSETS

Capital advances	19.04	31.04	75.47
Balance with statutory / government authorities	-	-	262.93
Prepaid expenses	7.08	0.60	1.35
Total	26.12	31.64	339.75

11) CURRENT ASSETS - INVENTORIES

(Valued at lower of cost or net realisable value)

Raw materials {Includes stocks in transit ₹ 408.37 Lakhs (March 31, 2017: ₹ 327.85 Lakhs, April 01, 2016: ₹ 621.28 lakhs)}	1,832.99	1,805.50	2,105.14
Work-in-progress	330.39	209.28	217.58
Finished goods	396.32	111.79	134.45
Stores and spares	49.38	27.34	30.72
Packing materials	366.37	355.48	324.84
Total	2,975.45	2,509.39	2,812.73

12) CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good			
Receivable from other parties	1,784.41	3,245.05	1,962.68
Receivable from subsidiary - Kopran Research Laboratories Limited	253.63	741.12	-
Unsecured, considered doubtful	-	42.17	42.17
Less: Expected credit loss	(25.01)	(194.87)	(191.07)
Total	2,013.03	3,833.47	1,813.78

13) CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

Balances with banks			
On Current accounts	25.71	42.20	46.58
Cash on hand	1.23	0.17	0.11
Total	26.94	42.37	46.69

14) CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Fixed deposits (Maturity of more than 3 months & less than 12 months) (Held as margin money or security against the guarantees and letter of credit)	125.92	129.99	361.24
Total	125.92	129.99	361.24

15) CURRENT FINANCIAL ASSETS - LOANS

Unsecured, considered good			
Security deposits	400.00	400.00	400.00
Loans to employees	87.29	129.57	30.45
Total	487.29	529.57	430.45

16) CURRENT FINANCIAL ASSETS - OTHERS

Foreign currency forward contracts	235.38	-	-
Interest receivable	1.13	1.03	27.06
Advances to subsidiary - Kopran Research Laboratories Limited	-	316.27	-
Total	236.51	317.30	27.06

17) CURRENT TAX ASSETS (NET)

Advance income-tax (Net of provision of taxation)	-	25.88	26.68
Total	-	25.88	26.68

18) OTHER CURRENT ASSETS

Prepaid expenses	79.85	83.19	64.32
Balance with statutory / government authorities	3,224.75	2,871.11	2,511.44
Others	44.98	46.38	50.10
Total	3,349.58	3,000.68	2,625.86

19) EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	Rs.	Number	Rs.	Number	Rs.
Authorised						
Equity Shares of ₹ 10 each	5,62,50,000	5,625.00	5,62,50,000	5,625.00	5,62,50,000	5,625.00
Total	<u>5,62,50,000</u>	<u>5,625.00</u>	<u>5,62,50,000</u>	<u>5,625.00</u>	<u>5,62,50,000</u>	<u>5,625.00</u>
Issued						
Equity shares of ₹ 10 each fully paid up	4,32,52,602	4,325.26	4,32,52,602	4,325.26	4,32,52,602	4,325.26
Subscribed and Paid up						
Equity shares of ₹ 10 each fully paid up	4,32,52,602	4,325.26	4,32,52,602	4,325.26	4,32,52,602	4,325.26
Less: calls in-arrears (other than director's)		(0.37)		(0.37)		(0.37)
Total	<u>4,32,52,602</u>	<u>4,324.89</u>	<u>4,32,52,602</u>	<u>4,324.89</u>	<u>4,32,52,602</u>	<u>4,324.89</u>

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	As at 31st March, 2018 Number of Shares	As at 31st March, 2017 Number of Shares	As at 1st April, 2016 Number of Shares
Opening balance	4,32,52,602	4,32,52,602	4,11,02,602
Add : Shares issued during the year	-	-	21,50,000
Closing balance	4,32,52,602	4,32,52,602	4,32,52,602

(ii) Rights, preferences and restrictions attaching to each class of shares equity shares having a face value of Rs.10/- each.

As to voting

The Company has only one class of shares referred to as equity shares having a face value of Rs. 10/- each holder of the equity share is entitled to one vote per share.

As to distribution of dividends

The Shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The company has not declared any dividend during the year.

As to repayment of capital

In the event of liquidation of the company, the holders of equity shares are entitled to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion of the number of shares held by the shareholders.

(iii) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

There is no holding company or ultimate holding company of the company. Accordingly, disclosures pertaining to shares of the company held by holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company is not applicable.

(iv) Details of shareholders holding more than 5% shares in the company

(₹ in Lakhs)

Name of Shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Share held	% of Holding	No. of Share held	% of Holding	No. of Share held	% of Holding
Equity Shares of ₹ 10/- each fully paid						
Panorama Finvest Pvt Ltd	38,00,000	8.79	38,00,000	8.79	38,00,000	8.79
Sarvamangal Mercantile co. Ltd	29,02,951	6.71	29,02,951	6.71	29,02,951	6.71
Oricon Properties Pvt. Ltd	59,61,758	13.78	59,61,758	13.78	59,61,758	13.78
Rajendra Somani	23,24,250	5.37	23,24,250	5.37	23,24,250	5.37

20) OTHER EQUITY

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Reserves and surplus			
Capital reserve	1,484.74	1,484.74	1,484.74
General reserve	814.21	814.21	814.21
Securities premium reserve	12,256.20	12,256.20	12,256.20
Export allowance reserve	0.40	0.40	0.40
Retained earnings	1,605.15	1,134.47	284.04
Sub - Total - A	16,160.70	15,690.02	14,839.59
Other comprehensive income (OCI)			
Equity instruments through OCI	(6.29)	(6.32)	(6.48)
Remeasurements of net defined benefit plans	95.45	85.37	87.54
Sub - Total - B	89.16	79.05	81.06
Total - A + B	16,249.86	15,769.07	14,920.65

Note

"Refer statement of changes in equity" for details of movements in the balances of each items of reserves and surplus and OCI under the head "Other equity" and the nature and purpose of each reserve.

21) NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured			
Term Loans			
From others - Vehicle loan	34.11	25.48	32.67
Unsecured			
10% non convertible non cumulative redeemable preference Shares of Rs.10/- each	858.00	858.00	858.00
Inter corporate deposits			
Related parties	897.59	1,546.00	-
Others	399.48	376.34	155.91
Others	-	-	1,578.52
Total	2,189.18	2,805.82	2,625.10

a) Vehicle loans are secured by way of hypothecation of vehicles.

Rate of Interest - 9.71% p.a. to 10.25 % p.a.

Terms of repayment are as under:

31.03.2019 - ₹ 18.26 Lakhs

31.03.2020 - ₹ 9.09 Lakhs

31.03.2021 - ₹ 10.05 Lakhs

31.03.2022 - ₹ 8.45 Lakhs

31.03.2023 - ₹ 6.52 Lakhs

b) Terms of redemption of preference shares

i) 5,580,000 10% non convertible non cumulative redeemable preference shares of ₹10/- each are redeemable at par on March 15, 2025 or at any time after one year from March 31, 2012 at the option of the company.

ii) 1,000,000 10% non convertible non cumulative redeemable preference shares of ₹ 10/- each are redeemable at par on June 28, 2019 or at any time after one year from March 31, 2012 at the option of the company.

iii) 20,00,000 10% non convertible non cumulative redeemable preference shares of ₹ 10/- each are redeemable at par on June 22, 2019 or at any time after one year from March 31, 2012 at the option of the company.

c) Inter-corporate deposits from related parties and other parties are unsecured.

Rate of Interest - 10.50% p.a. to 13.50% p.a.

Inter corporate deposits are repayable as under:

31.03.2019 - ₹ 648.41 Lakhs

31.03.2020 - ₹ 836.00 Lakhs

31.03.2021 - ₹ 461.07 Lakhs

22) NON - CURRENT LIABILITIES - PROVISIONS

Particulars	As at 31st March, 2018	(₹ in Lakhs)	
		As at 31st March, 2017	As at 1st April, 2016
Gratuity	218.55	217.28	189.16
Leave encashment	62.94	41.05	66.26
Total	281.49	258.33	255.42

23) CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured, Repayable on demand

From banks

Cash credit / packing credit

1,623.50

1,514.24

65.86

Buyers credit

654.95

636.27

623.12

Unsecured, repayable on demand

Loan from Director

78.00

-

427.00

Total

2,356.45

2,150.51

1,115.98

Security and rate of interest

Cash credit / packing credit / buyers credit is secured by:

1st pari passu hypothecation charge on entire stocks and receivables of the Company both present and future.

2nd pari passu charge on entire fixed assets of the Company both present and future.

Corporate guarantee of subsidiary company - Kopran Research Laboratories Limited and personal guarantee of director / promoter aggregating to ₹ 3,600.00 Lakhs.

Rate of Interest on cash credit - 10.05% p.a. to 11.50% p.a.

Rate of Interest on packing credit - Libor + 2.50% p.a.

Rate of Interest on buyers credit - Libor + 0.50% p.a to Libor + 1.50% p.a.

24) CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Particulars	(₹ in Lakhs)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Due to micro and small enterprises (Refer Note below)	-	-	-
Due to Others (including acceptances)	2,977.21	3,590.83	3,563.75
Total	2,977.21	3,590.83	3,563.75

Note:

Disclosure required under the micro, small and medium enterprises development Act, 2006

There are no micro, small and medium enterprise to whom the company owes dues which were outstanding as the balance sheet date. The above information regarding micro, small and medium enterprise has been determined to the extent such parties have been identified on the basis of the information available with the company. This has been relied upon by the Auditors."

25) CURRENT FINANCIAL LIABILITIES - OTHER

Current maturities of long-term debt (for Security, rate of interest and terms of repayment refer Note No. 21 above)	666.67	662.97	440.31
Interest accrued	14.49	7.16	1.83
Security deposits	9.69	9.69	9.69
Other payables			
Creditors for capital goods	59.03	59.32	91.90
Employees payables	200.15	254.16	275.93
Creditors for expenses	245.34	283.10	450.07
Provision for expenses	49.66	177.61	16.58
Others	62.74	62.74	62.74
Total	1,307.77	1,516.75	1,349.05

26) OTHER CURRENT LIABILITIES

Advance from customers	45.99	92.33	73.23
Statutory liabilities	56.37	53.83	40.06
Financial guarantee obligation	-	31.25	-
Other payables	106.39	149.87	4.14
Total	208.75	327.28	117.43

27) CURRENT LIABILITIES - PROVISIONS

Gratuity	33.36	15.80	15.22
Leave encashment	27.39	26.21	22.61
Total	60.75	42.01	37.83

28) CURRENT TAX LIABILITIES

Provision for tax (Net of advance tax)	80.56	293.56	-
Total	80.56	293.56	-

Notes forming part of the statement of profit and loss account

(₹ in Lakhs)

29) REVENUE FROM OPERATION

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Sale of products	14,830.94	17,557.81
Other operating revenues		
Scrap sales	9.76	12.63
Other	529.85	595.17
Total	15,370.55	18,165.61

30) OTHER INCOME

Dividend income		
Long - term investments	0.13	0.07
Interest Income		
On fixed deposit	8.18	16.13
Others	52.67	21.11
Liabilities written back (net)	0.43	8.26
Net gain on foreign currency transaction and translation	662.05	830.11
Financial guarantee income	62.50	28.65
Miscellaneous income	-	7.92
Total	785.96	912.25

31) COST OF MATERIALS CONSUMED

Raw material consumption		
Opening stock	1,805.49	2,105.14
Add: Purchases	6,587.69	6,549.15
	8,393.18	8,654.29
Less : Closing stock	1,832.99	1,805.49
Sub - Total	6,560.19	6,848.80
Packing materials consumption		
Opening stock	355.48	324.84
Add: Purchases	1,455.59	1,410.72
	1,811.07	1,735.56
Less : Closing stock	366.37	355.48
Sub - Total	1,444.70	1,380.08
Total	8,004.89	8,228.88

32) CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Opening Inventories		
Finished goods	111.79	134.45
Work in progress	209.28	217.58
Sub Total	321.07	352.03
Closing Inventories		
Finished goods	396.32	111.79
Work in progress	330.39	209.28
Sub Total	726.71	321.07
Total	(405.64)	30.96

33) EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Lakhs)	
	Year ended 31st March, 2018	Year ended 31st March, 2017
Salaries and wages	1,592.42	1,666.18
Contribution to provident and other funds	84.01	80.99
Staff welfare expenses	157.44	164.43
Total	1,833.87	1,911.60

34) FINANCE COSTS

Interest expense	376.05	586.29
Other borrowing cost	287.31	392.56
Total	663.36	978.85

35) OTHER EXPENSES

Stores and spares consumed	181.99	173.03
Power and fuel	481.64	447.06
Rent	240.00	240.00
Repairs and maintenance		
Building	11.23	59.50
Machinery	17.88	10.32
Others	44.86	49.09
Insurance	15.60	25.08
Commission on sales	540.41	626.71
Selling and distribution expenses	124.63	64.41
Job work charges	642.17	435.85
Packing, freight and forwarding	340.26	293.39
Payments to auditor (Refer Note No. 46)	7.50	5.00
Printing and stationery	43.30	38.95
Postage, telegram and telephone	42.68	48.12
Travelling and conveyance	159.13	172.32
Legal and professional fees	318.26	332.89
Rates and taxes	45.98	58.71
Labour charges	32.20	35.04
Directors' sitting fees	4.15	3.74
Sundry balances written off	0.33	0.10
Bad debts	176.03	250.99
(Less) / Add: Provision for expected credit loss written back	(169.85)	3.80
Excise duty	0.78	11.15
Loss on sale of license	20.39	-
Miscellaneous expenses	195.21	209.87
Total	3,516.76	3,595.12

36) CAPITAL COMMITMENTS & CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Contingent liabilities			
Guarantees given by the company's bankers on behalf of the company	68.75	85.83	99.93
Corporate guarantee given for loan taken by subsidiary (to the extent amount utilised)	3,873.94	4,163.36	-
Bills discounted with banks	3,195.59	2,585.83	3,314.65
Disputed tax matters			
Excise duty demand disputed in appeal	120.28	112.02	119.81
Service tax demand disputed in appeal	513.99	513.99	513.99
Other claims / demands against company not acknowledged as debts			
a) Demand under drug price control order - 95 (DPCO - 95) demand disputed in appeal	591.34	591.34	591.34
b) Others	29.09	29.09	29.09
b) Capital Commitments			
Estimated amounts of contracts remaining to be executed on capital account (net of advances) and not provided for	96.96	218.04	460.25

37) BASIC AND DILUTED EARNINGS PER SHARE [EPS] COMPUTED IN ACCORDANCE WITH IND AS 33 "EARNINGS PER SHARE"

	Year ended 31st March, 2018	Year ended 31st March, 2017
Net profit as per the statement of profit and loss available for equity shareholders (₹ in Lakhs)	470.68	850.43
Number of equity shares outstanding (No's in Lakhs)	432.53	432.53
Weighted average number of equity shares for basic and diluted earnings Per share (No's in Lakhs)	432.53	432.53
Nominal value of equity shares ₹	10.00	10.00
Earnings per share:		
Basic (in ₹)	1.09	1.97
Diluted (in ₹)	1.09	1.97
38) CIF VALUE OF IMPORTS		
Raw materials / packing material	1,771.85	1,484.10
Capital goods (including capital work-in-progress)	36.86	29.94
Total	1,808.71	1,514.04

39) EXPENDITURE IN FOREIGN CURRENCY

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Commission	540.41	626.65
Registration fees	59.20	51.47
Bank interest on buyers credit	8.93	7.67
Export promotion expenses	108.02	17.51
Travelling expenses	43.91	53.97
Research & development charges	0.48	-
Plant inspection charges	3.91	15.01
Membership & subscription	-	3.04
Others	5.95	4.67
Total	770.81	779.99

40) EARNINGS IN FOREIGN CURRENCY

FOB value of exports	13,174.64	14,964.73
Total	13,174.64	14,964.73

41) DISCLOSURE PURSUANT TO IND AS 19 "EMPLOYEE BENEFITS"

a) Defined contribution plan

Contributions to defined contribution plan, recognised are charged off for the year are as under:

Employer's contribution to provident fund	73.04	80.56
Employer's contribution to labour welfare fund	0.22	0.18
Employer's contribution to ESIC	10.75	3.60
Total	84.01	84.33

b) Defined benefit plan

The employees' gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner.

i) Gratuity Benefits (unfunded)

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Present value of the projected benefit obligation		
Present value of benefit obligation at the beginning of the year	233.08	204.38
Interest cost	17.64	16.26
Current service cost	18.56	16.16
Past service cost	18.04	-
Actuarial (gains) / losses on obligations - due to change in financial assumptions	(20.57)	9.57
Actuarial (gains) / losses on obligations - due to experience	5.09	(6.23)
Benefits paid directly by employer	(19.93)	(7.06)
Present value of benefit obligation at the end of the year	251.91	233.08
Change in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	-	-
Interest income	-	-
Contributions by the employer	-	-
Expected contributions by the employees	-	-
Return on plan assets, excluding interest income	-	-
Fair value of plan assets at the end of the year	-	-
Amount recognised in the balance sheet		
Present value obligations at the end of the year	(251.91)	(233.08)
Fair value of plan assets at the end of the year	-	-
Funded status surplus / (deficit)	(251.91)	(233.08)
Net (liability) / asset recognised in the balance sheet	(251.91)	(233.08)
Net interest cost for the current year		
Present value benefit obligation at the beginning of the year	233.08	204.38
Fair value of plan assets at the beginning of the year	-	-
Net liability / (asset) at the beginning	233.08	204.38
Interest cost	17.64	16.26
Interest income	-	-
Interest cost for the current year	17.64	16.26
Expenses recognised in the statement of profit or loss for the current year		
Current service cost	18.56	16.16
Net interest cost	17.64	16.27
Past service cost	18.04	-
Expenses recognised	54.25	32.42
Expenses recognized in the other comprehensive income (OCI) for current year		
Actuarial (gains) / losses on obligation for the year	(15.49)	3.34
Return on plan assets, excluding interest income	-	-
Change in asset ceiling	-	-
Net (income) / expense for the year recognized in OCI	(15.49)	3.34

(₹ in Lakhs)

Balance sheet reconciliation		
Opening net liability	233.08	204.38
Expenses recognised in the statement of profit or loss	54.25	32.42
Expenses recognised in OCI	(15.49)	3.34
Benefits paid directly by employer	(19.93)	(7.06)
Net liability / (asset) recognised in the balance sheet	251.91	233.08
Category of assets		
NIL, as funding status in unfunded.	-	-
Maturity analysis of the benefit payments from the employer		
Projected benefits payable in future years from the date of reporting		
1st following year	33.36	15.80
2nd following year	6.17	3.85
3rd following year	4.52	17.68
4th following year	29.10	7.33
5th following year	15.38	21.47
Sum of years of 6 to 10	66.53	64.15
Sum of years of 11 and above	498.28	508.90
Sensitivity Analysis		
<p>The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.</p> <p>The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.</p> <p>Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.</p> <p>There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.</p>		
Projected benefit obligation on current assumptions	251.91	233.08
Delta effect of + 0.50% change in rate of discounting	(11.62)	(12.16)
Delta effect of - 0.50% change in rate of discounting	12.56	13.19
Delta effect of + 0.50% change in rate of salary increase	12.58	13.33
Delta effect of - 0.50% change in rate of salary increase	(11.71)	(12.39)
Delta effect of + 0.50% change in rate of employee turnover	2.64	1.72
Delta effect of - 0.50% change in rate of employee turnover	(2.80)	(1.83)
Assumptions used to determine the benefit obligations		
Rate of discounting	7.87%	7.57%
Rate of salary increase	5.50%	6.00%
Rate of employee turnover	1.00%	1.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	

ii) Leave Encashment (unfunded)

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Present value of the projected benefit obligation		
Present value benefit obligation at the beginning of the year	67.26	88.87
Interest cost	5.09	7.07
Current service cost	3.23	4.81
Actuarial (gains) / losses on obligations - due to change in financial assumptions	(5.77)	1.15
Actuarial (gains) / losses on obligations - due to experience	39.66	(22.31)
Benefits paid directly by employer	(19.14)	(12.33)
Present value of benefit obligation at the end of the year	90.33	67.26
Change in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	-	-
Interest income	-	-
Contributions by the employer	-	-
Expected contributions by the employees	-	-
Return on plan assets, excluding interest income	-	-
Fair value of plan assets at the end of the year	-	-
Actuarial (gains) / losses recognised in the statement of profit or loss for the current year		
Actuarial (gains) / losses on obligation for the year	33.89	(21.16)
Return on plan assets, excluding interest income	-	-
Sub- total	33.89	(21.16)
Actuarial (gains) / losses recognised in the statement of profit or loss	33.89	(21.16)
Actual return on plan assets		
Interest income	-	-
Return on plan assets, excluding interest income	-	-
Actual return on plan assets	-	-
Amount recognised in the balance sheet		
Present value obligations at the end of the year	(90.33)	(67.26)
Fair value of plan assets at the end of the year	-	-
Funded status surplus / (deficit)	(90.33)	(67.26)
Unrecognised past service cost at the end of the period	-	-
Net (liability) / asset recognised in the balance sheet	(90.33)	(67.26)
Net interest cost for the current year		
Present value benefit obligation at the beginning of the year	67.26	88.87
Fair value of plan assets at the beginning of the year	-	-
Net (liability) / asset at the beginning	67.26	88.87
Interest cost	5.09	7.07
Interest income	-	-
Net interest cost for the current year	5.09	7.07

(₹ in Lakhs)

Expenses recognised in the statement of profit or loss for the current year		
Current service cost	3.23	4.81
Net interest cost	5.09	7.07
Actuarial (gains) / losses	33.89	(21.16)
Expenses recognised in the statement of profit or loss	42.21	(9.28)
Balance sheet reconciliation		
Opening net liability	67.26	88.87
Expenses recognised in the statement of profit or loss	42.21	(9.28)
Employers contribution	-	-
Benefits paid directly by employer	(19.14)	(12.33)
Net liability / (assets) recognised in the balance sheet	90.33	67.26
Category of assets		
NIL, as Funding status in unfunded	-	-
Assumptions used to determine the benefit obligations		
Rate of discounting	7.87%	7.57%
Rate of salary increase	5.50%	6.00%
Rate of employee turnover	1.00%	1.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	

42) Disclosure of related parties/related party transactions pursuant to Ind AS 24 "related party disclosures"

(a) **Names of related parties where control exists:**

Enterprises owned or controlled (wholly owned subsidiaries)

Kopran Research Laboratories Limited

Kopran (H. K.) Limited

Kopran Life Science Ltd.

Key management personnel

Surendra Somani (Executive Vice Chairman)

B. K. Soni (Chief Financial Officer)

Sunil Sodhani (Company Secretary)

Enterprises significantly influenced by KMP or their relative

Oricon Enterprises Limited

Shinrai Auto Services Limited

Kopran Laboratories Limited

Oriental Containers Ltd.

The following transactions were carried out during the year with the related parties in the ordinary course of business:

(₹ in Lakhs)

Nature of Transaction	Enterprises owned or controlled (wholly owned subsidiaries)		Key management personnel		Enterprises significantly influenced by KMP or their relative		Total	
	2017-2018	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017
Loan received								
Oricon Enterprises Limited *	-	-	-	-	1,705.00	5,571.87	1,705.00	5,571.87
Oriental Containers Ltd.	-	-	-	-	-	1,560.00	-	1,560.00
Surendra Somani (Executive Vice Chairman)	-	-	170.00	-	-	-	170.00	-
Total	-	-	170.00	-	1,705.00	7,131.87	1,875.00	7,131.87
Repayment of loan taken								
Surendra Somani (Executive Vice Chairman)	-	-	92.00	427.00	-	-	92.00	427.00
Oricon Enterprises Limited *	-	-	-	-	1,509.00	3,800.00	1,509.00	3,800.00
Oriental Containers Ltd.	-	-	-	-	832.00	728.00	832.00	728.00
Total	-	-	92.00	427.00	2,341.00	4,528.00	2,433.00	4,955.00
Purchases								
Kopran Research Laboratories Limited	481.98	430.80	-	-	-	-	481.98	430.80
Oricon Enterprises Limited	-	-	-	-	53.72	168.48	53.72	168.48
Total	481.98	430.80	-	-	53.72	168.48	535.70	599.27
Purchase of fixed assets								
Shinrai Auto Services Limited	-	-	-	-	-	20.96	-	20.96
Total	-	-	-	-	-	20.96	-	20.96
Sales								
Kopran Research Laboratories Limited	1,378.46	1,890.91	-	-	-	-	1,378.46	1,890.91
Total	1,378.46	1,890.91	-	-	-	-	1,378.46	1,890.91
Interest expense								
Oricon Enterprises Limited *	-	-	-	-	149.99	85.08	149.99	85.08
Oriental Containers Ltd.	-	-	-	-	48.52	68.33	48.52	68.33
Total	-	-	-	-	198.51	153.41	198.51	153.41
Interest received								
Kopran Laboratories Limited	-	-	-	-	-	3.06	-	3.06
Kopran Research Laboratories Limited	49.48	15.19	-	-	-	-	49.48	15.19
Total	49.48	15.19	-	-	-	3.06	49.48	18.25
Loan given								
Kopran Laboratories Limited	-	-	-	-	-	95.00	-	95.00
Kopran Research Laboratories Limited	3,255.32	8,149.99	-	-	-	-	3,255.32	8,149.99
Total	3,255.32	8,149.99	-	-	-	95.00	3,255.32	8,244.99
Repayment of loan given								
Kopran Laboratories Limited	-	-	-	-	-	95.00	-	95.00
Kopran Research Laboratories Limited	3,571.60	7,848.91	-	-	-	-	3,571.60	7,848.91
Total	3,571.60	7,848.91	-	-	-	95.00	3,571.60	7,943.91

(₹ in Lakhs)

Miscellaneous expenses									
Oricon Enterprises Limited (rent paid)	-	-	-	-	240.00	240.00	240.00	240.00	240.00
Shinrai Auto Services Limited (repairs)	-	-	-	-	5.20	20.86	5.20	20.86	20.86
Total	-	-	-	-	245.20	260.86	245.20	260.86	260.86
Remuneration									
Surendra Somani	-	-	148.73	94.11	-	-	148.73	94.11	94.11
B. K. Soni	-	-	20.18	18.14	-	-	20.18	18.14	18.14
Sunil Sodhani	-	-	13.61	13.71	-	-	13.61	13.71	13.71
Total	-	-	182.52	125.96	-	-	182.52	125.96	125.96
Corporate guarantee given to									
Kopran Research Laboratories Limited	6,250.00	6,250.00	-	-	-	-	6,250.00	6,250.00	6,250.00
Total	6,250.00	6,250.00	-	-	-	-	6,250.00	6,250.00	6,250.00
Financial guarantee income									
Kopran Research Laboratories Limited	62.50	28.65	-	-	-	-	62.50	28.65	28.65
Total	62.50	28.65	-	-	-	-	62.50	28.65	28.65
Investment in the shares of the subsidiary company									
Kopran Research Laboratories Limited	31.25	59.89	-	-	-	-	31.25	59.89	59.89
Total	31.25	59.89	-	-	-	-	31.25	59.89	59.89
Corporate guarantee given by									
Kopran Research Laboratories Limited	3,600.00	3,600.00	-	-	-	-	3,600.00	3,600.00	3,600.00
Total	3,600.00	3,600.00	-	-	-	-	3,600.00	3,600.00	3,600.00
Balance payable / (receivable) as at March 31, 2018									
Oricon Enterprises Limited - Interest payable	-	-	-	-	12.41	-	12.41	-	-
Kopran Research Laboratories Limited - Interest receivable	-	(15.19)	-	-	-	-	-	(15.19)	(15.19)
Kopran Research Laboratories Limited - Loan	-	(301.08)	-	-	-	-	-	(301.08)	(301.08)
Kopran Research Laboratories Limited - Trade receivable	(253.63)	(741.12)	-	-	-	-	(253.63)	(741.12)	(741.12)
Shinrai Auto Services Limited	-	-	-	-	-	1.04	-	1.04	1.04
Kopran Laboratories Limited	-	-	-	-	-	24.36	-	24.36	24.36
Oriental Containers Ltd. - Loan	-	-	-	-	-	832.00	-	832.00	832.00
Oricon Enterprises Limited	-	-	-	-	174.30	8.31	174.30	8.31	8.31
Oricon Enterprises Limited - Loan *	-	-	-	-	1,546.00	1,350.00	1,546.00	1,350.00	1,350.00
Surendra Somani	-	-	78.00	-	-	-	78.00	-	-
Total	(253.63)	(1,057.38)	78.00	-	1,732.71	2,215.71	1,557.08	1,158.33	1,158.33

* During the year ended March 31, 2018, Oricon Properties Private Limited, a wholly owned subsidiary of Oricon Enterprises Limited has merged with Oricon Enterprises Limited as per the scheme of amalgamation approved by the NCLT vide its order dated October 18, 2017. The appointed date was July 01, 2017. As a result of this, the figures of previous year ended March 31, 2017 have also been restated accordingly to incorporate the impact the the scheme of amalgamation.

43) Disclosure of derivative

a) Particulars of derivatives as at balance sheet date:

(₹ in Lakhs)

Purpose	Currency	As at 31st March, 2018	As at 31st March, 2017
Forward exchange contracts (for export debtors)	USD	193.32	4.51
Forward contract value	₹	12,573.73	292.49
Forward exchange contracts (for import creditors)	USD	-	3.82
Forward contract value	₹	-	247.69

b) The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at March 31, 2018 are as follows:

Particulars	Foreign currency denomination	As at March 31, 2018		As at March 31, 2017	
		Foreign currency amount	Amount	Foreign currency amount	Amount
Payables	USD	27.17	1,767.18	32.67	2,118.45
	EURO	-	-	0.29	20.36
	GBP	0.01	0.50	-	-
Receivables	USD	25.04	1,628.67	44.35	2,875.49
	EURO	1.09	87.63	1.07	73.83
	GBP	0.61	56.56	1.73	140.13
	JYP	5.29	3.28	14.25	8.39
Foreign currency bank balance	USD	0.05	3.21	0.05	3.20
Investment	HKD	23.19	191.78	23.19	193.20

The foreign currency outstanding has been translated at the rates of exchange prevailing on the balance sheet date.

44) Disclosures pursuant to Ind AS 108 "Segment Reporting"

The company is primarily engaged in the business of manufacturing of "Formulation (finished dosage form)" which in the context of Indian accounting standard (Ind AS) 108 on operating segments constitutes a single reportable segment.

In accordance with Ind AS 108 "operating segments", segment information has been given in the consolidated financial statements of the company and therefore no separate disclosure on segment information is given in these financial statements.

45) Disclosures pursuant to Ind AS 17 "Leases"

a) The Company has taken office premises under operating lease.

Particulars	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
Lease payments in respect of such lease recognised in statement of profit and loss account	240.00	240.00

b) Total of future minimum lease payments in respect of such non cancellable operating lease are as follows:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Not later than one year	240.00	240.00
Later than one year and not later than five years	180.00	420.00
Later than five years	-	-

46) Payments to auditor (excluding service tax / goods and service tax)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
As Auditor		
Audit fees	6.00	4.00
Tax audit fees	1.50	1.00
Total	7.50	5.00

47) In the opinion of the board, current assets and loans and advances are approximately of the value stated if realised in the ordinary course of business. The provision for all known and determined liabilities are adequate and not in excess of the amounts reasonably required. The balances of few creditors are subject to their confirmation.

48) Current tax and deferred tax

a) Income tax expense recognised in statement of profit and loss

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Current tax		
Current income tax charge	114.70	293.56
Adjustments in respect of prior years	-	91.41
Total	114.70	384.97
Deferred tax		
In respect of current year	110.71	99.86
Total	110.71	99.86
Total tax expense recognised in statement of profit and loss	225.41	484.83

b) Income tax recognised in other comprehensive income

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Deferred tax (liabilities) / assets		
Remeasurement of defined benefit obligations	(5.41)	1.17
Total	(5.41)	1.17

c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Net profit as per statement of profit and loss account (before tax) – (i)	696.09	1,335.26
Corporate tax rate as per income tax Act, 1961 – (ii)	21.34	21.34
Tax on accounting profit – (iii) = (i) * (ii)	148.55	284.87
Tax difference on account of:		
Income credited to other comprehensive income which will not be re-classified to profit or loss - remeasurement of defined employee benefit plans	3.31	-
Ind AS Impact (net)	-	(5.27)
Expenses not allowable under the income tax Act, 1961	(36.27)	(0.01)
Interest on delayed payment of advance tax	-	13.97
One fifth of transition amount (credit item credited to other equity)	(1.22)	-
Timing differences - deferred tax assets	110.71	99.86
Adjustments in respect of prior years	-	91.41
Rounding off tax differences	0.33	-
Income tax expense recognised in profit and loss	225.41	484.83

d) Movement of deferred tax

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2018

Particulars	Opening balance	Recognised in profit and loss	Recognised in OCI	Closing balance
Relating to depreciation on fixed assets	(513.87)	(8.26)	-	(522.13)
Provision for gratuity	81.45	11.99	(5.41)	88.03
Provision for leave encashment	23.50	8.06	-	31.56
Unabsorbed depreciation	484.57	(190.57)	-	294.00
Provision for expected credit loss	68.10	(59.36)	-	8.74
Provision for bonus	(12.66)	12.73	-	0.07
MAT credit entitlement	361.07	114.70	-	475.77
Net deferred tax assets	492.16	(110.71)	(5.41)	376.04

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2017

Particulars	Opening balance	Recognised in profit and loss	Recognised in OCI	Closing balance
Relating to depreciation on fixed assets	(492.40)	(21.47)	-	(513.87)
Provision for gratuity	71.42	8.86	1.17	81.45
Provision for leave encashment	31.05	(7.55)	-	23.50
Unabsorbed depreciation	917.80	(433.23)	-	484.57
Provision for expected credit loss	66.77	1.33	-	68.10
Provision for bonus	(3.79)	(8.87)	-	(12.66)
MAT credit entitlement	-	361.07	-	361.07
Net deferred tax assets	590.85	(99.86)	1.17	492.16

49) Details of Loans given, covered u/s 186 (4) of the Companies Act, 2013 and disclosure pursuant to clause 34 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in Lakhs)

	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
a)	Loans and advances in the nature of loans		
	i) Loan to subsidiary: Kopran Research Laboratories Limited		
	Loans given during the year	3,255.32	8,165.18
	Balance as at the year end	-	316.27
	Maximum amount outstanding at any time during the year	979.26	1,560.50
	Purpose: working capital		
	ii) Kopran Laboratories Ltd.		
	Loans given during the year	-	95.00
	Balance as at the year end	-	-
	Maximum amount outstanding at any time during the year	-	61.46
	Purpose: working capital		
b)	Investment in the shares of the subsidiary company		
	Kopran Research Laboratories Limited during the year	31.25	59.89
	For details of investments made in subsidiaries and balances as at March 31, 2018 refer note No. 7(d)		
c)	Corporate guarantee given		
	For loans sanctioned to Kopran Research Laboratories Limited	6,250.00	6,250.00

50) a) The company did not have any outstanding long term contracts as at March 31, 2018. Provision has been made, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts.

b) There is no amount required to be transferred to the investor education and protection fund by the company.

51) The figures for the comparative year / periods have been regrouped wherever necessary, to conform to the current year's classification.

52) FINANCIAL INSTRUMENTS

i. Financial instruments by category

(₹ in Lakhs)

Particulars	March 31, 2018			March 31, 2017			April 01, 2016		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
FINANCIAL ASSETS									
Non - current financial assets - investment	-	4.51	15,687.21	-	4.48	15,655.96	-	4.31	15,596.07
Non - current financial assets - loans	-	-	129.05	-	-	127.88	-	-	117.54
Current financial assets - trade receivables	-	-	2,013.03	-	-	3,833.47	-	-	1,813.78
Current financial assets - cash and cash equivalents	-	-	26.94	-	-	42.37	-	-	46.69
Current financial assets - bank balances other than cash and cash equivalents	-	-	125.92	-	-	129.99	-	-	361.24
Current financial assets - loans	-	-	487.29	-	-	529.57	-	-	430.45
Current financial assets - others	-	-	1.13	-	-	317.30	-	-	27.06
Derivatives designated as hedges - Foreign currency forward contracts	235.38	-	-	-	-	-	-	-	-
Total	235.38	4.51	18,470.57	-	4.48	20,636.54	-	4.31	18,392.83
FINANCIAL LIABILITIES									
Non - current financial liabilities - borrowings	-	-	2,189.18	-	-	2,805.82	1,578.52	-	1,046.58
Current financial liabilities - borrowings	-	-	2,356.45	-	-	2,150.51	-	-	1,115.98
Current financial liabilities - trade payables	-	-	2,977.21	-	-	3,590.83	-	-	3,563.75
Current financial liabilities - other	-	-	1,307.77	-	-	1,516.75	-	-	1,349.05
Total	-	-	8,830.61	-	-	10,063.91	1,578.52	-	7,075.36

ii. Fair value measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The company has established the fair value hierarchy that categorises the values into 3 levels. For the inputs to valuation techniques used to measure fair value of financial instruments refer note no. 2.3(b)

Assets and liabilities measured at fair value:

Particulars	March 31, 2018			March 31, 2017			April 01, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets									
Financial Investments which are measured at FVTPL									
Investments	-	-	-	-	-	-	-	-	-
Financial investments which are measured at FVTOCI									
Investments	4.51	-	-	4.48	-	-	4.31	-	-
Derivatives designated as hedges									
Foreign exchange forward contracts	-	235.38	-	-	-	-	-	-	-
Financial assets which are measured at amortized cost									
Non - current financial assets - investment	-	15,687.21	-	-	15,655.96	-	-	15,596.07	-
Non - current financial assets - loans	-	129.05	-	-	127.88	-	-	117.54	-

(₹ in Lakhs)

Current financial assets - trade receivables	-	2,013.03	-	-	3,833.47	-	-	1,813.78	-
Current financial assets - cash and cash equivalents	-	26.94	-	-	42.37	-	-	46.69	-
Current financial assets - bank balances other than cash and cash equivalents	-	125.92	-	-	129.99	-	-	361.24	-
Current financial assets - loans	-	487.29	-	-	529.57	-	-	430.45	-
Current financial assets - others	-	1.13	-	-	317.30	-	-	27.06	-
Total financial assets	4.51	18,705.95	-	4.48	20,636.54	-	4.31	18,392.83	-
Financial liabilities									
Financial liabilities which are measured at FVTPL									
Non - current financial liabilities - borrowings	-	-	-	-	-	-	-	1,578.52	-
Financial liabilities which are measured at amortized cost									
Non - current financial liabilities - borrowings	-	2,189.18	-	-	2,805.82	-	-	1,046.58	-
Current financial liabilities - borrowings	-	2,356.45	-	-	2,150.51	-	-	1,115.98	-
Current financial liabilities - trade payables	-	2,977.21	-	-	3,590.83	-	-	3,563.75	-
Current financial liabilities - other	-	1,307.77	-	-	1,516.75	-	-	1,349.05	-
Total financial liabilities	-	8,830.61	-	-	10,063.91	-	-	8,653.88	-

Notes:

There have been no transfers among Level 1, Level 2 and Level 3 during the period

Financial instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the management does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

53) Disclosures pursuant to Ind AS 1 "presentation of financial statements"- capital management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximize the shareholder value.

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Non - current financial liabilities - borrowings	2,189.18	2,805.82	2,625.10
Current financial liabilities - borrowings	2,356.45	2,150.51	1,115.98
Current financial liabilities - other - Current maturities of long - term debt	666.67	662.97	440.31
Less : cash and cash equivalents	(26.94)	(42.37)	(46.69)
Net debt (A)	5,185.36	5,576.93	4,134.70
Total equity	20,574.75	20,093.96	19,245.54
Total capital (B)	20,574.75	20,093.96	19,245.54
Capital and net debt C = (A) + (B)	25,760.11	25,670.89	23,380.24
Gearing ratio (A) / (C)	20.13%	21.72%	17.68%

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations. The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018, March 31, 2017 and March 31, 2016.

54) Disclosures pursuant to Ind AS 107 "financial Instruments disclosures"- financial risk management objectives and policies

The company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The company's business activities expose it to a variety of financial risks, namely market risks, credit risk and liquidity risk. The company's senior management has the overall responsibility for the establishment and oversight of the company's risk management framework. The top management is responsible for developing and monitoring the company's risk management policies. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

a) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, borrowings, foreign currency receivables and payables.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates to the company's long-term debt as well as short-term obligations with floating interest rates.

In order to manage its interest rate risk The company diversifies its portfolio in accordance with the limits set by the risk management policies.

As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the company has calculated the impact of a 1% change in interest rates. A 1% decrease in interest rates would have led to approximately an additional ₹ 51.34 Lakhs gain for year ended March 31, 2018 (₹ 56.19 Lakhs gain for year ended March 31, 2017) in Interest expenses. A 1% increase in interest rates would have led to an equal but opposite effect.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting

ii) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the borrowings, import of raw materials, exports of cormulations and the company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The company evaluates exchange rate exposure arising from foreign currency transactions. The company follows established risk management policies. It uses derivative instruments like foreign currency forwards to hedge exposure to foreign currency risk.

Outstanding foreign currency exposure:

(₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Foreign currency amount	Amount in Rs.	Foreign currency amount	Amount in Rs.
Receivables				
USD	25.04	1,628.67	44.35	2,875.49
EURO	1.09	87.63	1.07	73.83
GBP	0.61	56.56	1.73	140.13
YEN	5.29	3.28	14.25	8.39
Foreign currency bank account				
USD	0.05	3.21	0.05	3.20
Investments				
HKD	23.19	191.78	23.19	193.20
Payables				
USD	27.17	1,767.18	32.67	2,118.45
GBP	0.01	0.50	-	-
EURO	-	-	0.29	20.36
Borrowings				
USD	14.41	937.28	16.53	1,072.05

Foreign exchange risk sensitivity:

As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the company has calculated the impact of a 1% change in interest rates. A 1% decrease in interest rates would have led to approximately an additional ₹ 7.37 Lakhs net loss for year ended March 31, 2018 (₹ 0.81 Lakhs net gain for year ended March 31, 2017) in Interest expenses. A 1% increase in interest rates would have led to an equal but opposite effect.

Forward exchange contracts:

Derivatives for hedging currency, outstanding are as under:

Particulars	Purpose	Currency	As at 31st March, 2018	As at 31st March, 2017
Foreign currency forward contracts	Exports	USD	193.32	4.51
Forward contract value	Exports	₹	12,573.73	292.49
Foreign currency forward contracts	Imports	USD		3.82
Forward contract value	Imports	₹	-	247.69

iii) Other price risk

a) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. The company is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI. As at March 31, 2018, the carrying value of such equity instruments recognised at FVTOCI amounts to ₹ 4.51 Lakhs (March 31, 2017 ₹ 4.48 Lakhs and ₹ 4.31 Lakhs as at April 01, 2016). The details of such investments in equity instruments are given in Note 7(a) and 7(b).

The company is mainly exposed to change in market rates of its investments in equity investments recognised at FVTOCI. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

If the equity prices had been higher / lower by 10% from the market prices existing as at March 31, 2018, other comprehensive income for the year ended March 31, 2018 would increase / decrease by ₹ 0.27 Lakhs (March 31, 2017 ₹0.26 Lakhs, April 01, 2016 ₹ 0.25 Lakhs) with a corresponding increase/decrease in total equity of the company as at March 31, 2018. 10% represents management's assessment of reasonably possible change in equity prices.

b) Credit risk

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing / investing activities, including deposits with banks, foreign exchange transactions and financial guarantees. The company has no significant concentration of credit risk with any counterparty.

Trade receivables:

Credit risk arising from trade receivables is managed in accordance with the company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/ modified.

Total trade receivable as on March 31, 2018 is ₹ 2,013.03 Lakhs (March 31, 2017 ₹ 3,833.47 Lakhs, April 01, 2016 ₹ 1,813.78 Lakhs). The average credit period on sale of goods is 90 to 180 days. No interest is charged on trade receivables.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The company does not hold collateral as security. The company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Movement in the expected credit loss allowance on trade receivables

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Balance at the beginning of the year	194.87	191.07
Addition	-	3.80
Write - offs	(169.85)	-
Recoveries	-	-
Balance at the end of the year	364.72	194.87

c) Liquidity risk

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date.

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2018				
Non - current financial liabilities - borrowings	2,189.18	-	2,189.18	2,189.18
Current financial liabilities - borrowings	2,356.45	2,356.45	-	2,356.45
Current financial liabilities - trade payables	2,977.21	2,977.21	-	2,977.21
Current financial liabilities - other	1,307.77	1,307.77	-	1,307.77
As at March 31, 2017				
Non - current financial liabilities - borrowings	2,805.82	-	2,805.82	2,805.82
Current financial liabilities - borrowings	2,150.51	2,150.51	-	2,150.51
Current financial liabilities - trade payables	3,590.83	3,590.83	-	3,590.83
Current financial liabilities - other	1,516.75	1,516.75	-	1,516.75
As at April 01, 2016				
Non - current financial liabilities - borrowings	2,625.10	-	2,625.10	2,625.10
Current financial liabilities - borrowings	1,115.98	1,115.98	-	1,115.98
Current financial liabilities - trade payables	3,563.75	3,563.75	-	3,563.75
Current financial liabilities - other	1,349.05	1,349.05	-	1,349.05

55) First time Ind AS adoption reconciliations

a) Effect of Ind AS adoption on the standalone balance sheet as at April 01, 2016 and March 31, 2017

Particulars	Opening balance sheet as at 1st April, 2016			Balance sheet as at 31st March, 2017		
	Previous GAAP	Adj on transition	Ind AS	Previous GAAP	Adj on transition	Ind AS
ASSETS						
1. Non-current assets						
Property, plant and equipment	3,497.84	-	3,497.84	3,921.71	-	3,921.71
Capital work-in-progress	19.25	-	19.25	296.11	-	296.11
Other Intangible Assets	-	-	-	12.29	-	12.29
Intangible assets under development	-	-	-	148.17	-	148.17
Financial assets						
Investment	15,607.10	(6.72)	15,600.38	15,607.10	53.34	15,660.44
Others	117.54	-	117.54	127.88	-	127.88
Deferred tax assets (net)	-	590.85	590.85	-	492.16	492.16
Other non current assets	358.42	(18.67)	339.75	486.97	(455.33)	31.64
Total non-current assets	19,600.15	565.46	20,165.61	20,600.23	90.17	20,690.40
2. Current assets						
Inventories	2,812.73	-	2,812.73	2,509.39	-	2,509.39
Financial assets						
Trade receivables	1,962.69	(148.91)	1,813.78	3,986.17	(152.70)	3,833.47
Cash and cash equivalents	46.69	-	46.69	42.37	-	42.37
Bank balances other than cash and cash equivalents	388.30	(27.06)	361.24	131.02	(1.03)	129.99
Loans	11.77	418.68	430.45	35.32	494.25	529.57
Others	-	27.06	27.06	316.27	1.03	317.30
Current tax assets (net)	26.68	-	26.68	25.88	-	25.88
Other current assets	3,025.85	(399.99)	2,625.86	3,400.67	(399.99)	3,000.68
Total current assets	8,274.71	(130.22)	8,144.49	10,447.09	(58.44)	10,388.65
Total assets	27,874.86	435.24	28,310.10	31,047.32	31.73	31,079.05

(₹ in Lakhs)

Particulars	Opening balance sheet as at 1st April, 2016			Balance Sheet as at 31st March, 2017		
	Previous GAAP	Adj on transition	Ind AS	Previous GAAP	Adj on transition	Ind AS
Equity						
Equity share capital	5,182.89	(858.00)	4,324.89	5,182.89	(858.00)	4,324.89
Other equity	14,481.93	438.72	14,920.65	15,768.59	0.48	15,769.07
Total equity	19,664.82	(419.28)	19,245.54	20,951.48	(857.52)	20,093.96
LIABILITIES						
1. Non-current liabilities						
Financial Liabilities						
Borrowings	2,197.58	427.52	2,625.10	1,947.82	858.00	2,805.82
Provisions	255.42	-	255.42	258.33	-	258.33
Other financials liabilities	-	-	-	-	-	-
Total non-current liabilities	2,453.00	427.52	2,880.52	2,206.15	858.00	3,064.15
2. Current liabilities						
Financial liabilities						
Borrowings	688.99	426.99	1,115.98	2,150.51	-	2,150.51
Trade payables	3,563.75	-	3,563.75	3,590.83	-	3,590.83
Other financial liabilities	-	1,349.05	1,349.05	-	1,516.75	1,516.75
Other current liabilities	1,466.47	(1,349.04)	117.43	1,812.78	(1,485.50)	327.28
Provisions	37.83	-	37.83	335.57	(293.56)	42.01
Current tax liabilities	-	-	-	-	293.56	293.56
Total current liabilities	5,757.04	427.00	6,184.04	7,889.69	31.25	7,920.94
Total equity and liabilities	27,874.86	435.24	28,310.10	31,047.32	31.73	31,079.05

b) Reconciliation of total equity:

Particulars	As at As at 1st April, 2016	As at As at 31st March, 2017
Total equity (shareholder's funds) under previous GAAP	19,664.82	20,951.48
Impact of financial guarantee obligation	-	28.65
Impact of provision for diminution in value of investment	(0.24)	(0.24)
Impact of interest on loan	3.47	-
Impact of provision for expected credit loss on financial assets	(148.88)	(152.70)
Impact due to change in fair value of equity instruments through other comprehensive income	(6.48)	(6.32)
Impact of deferred income tax	590.85	131.09
Impact of reclassification of 10% non convertible non cumulative redeemable Preference shares of ₹10/- each regrouped under non-current financial liabilities - Borrowings	(858.00)	(858.00)
Total adjustment to equity	(419.28)	(857.52)
Total equity (shareholder's funds) under Ind AS	19,245.54	20,093.96

c) Effect of Ind AS adoption on the standalone statement of profit and loss for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	Year ended March 31, 2017		
	IGAAP	Adj on transition	Ind AS
INCOME			
Revenue from operations	18,154.45	11.16	18,165.61
Other income	883.60	28.65	912.25
Total income	19,038.05	39.81	19,077.86
EXPENSES			
Cost of materials consumed	8,228.88	-	8,228.88
Purchase of traded goods	2,663.65	-	2,663.65
Changes in inventories of finished goods and work in progress	30.96	-	30.96
Employee benefits expense	1,914.94	(3.34)	1,911.60
Finance costs	975.38	3.47	978.85
Depreciation and amortization expense	333.54	-	333.54
Other expenses	3,580.14	14.98	3,595.12
Total expenses	17,727.49	15.11	17,742.60
Profit before exceptional items and tax	1,310.56	24.70	1,335.26
Exceptional items net income / (net expenses)	-	-	-
Profit before tax	1,310.56	24.70	1,335.26
Tax expense			
(1) Current tax	293.56	-	293.56
Less : MAT credit entitlement	361.07	(361.07)	-
(2) Deferred tax	-	(99.86)	(99.86)
(3) Taxation adjustment of earlier years	91.41	-	91.41
Net tax expense	23.90	460.93	484.83
Profit for the year	1,286.66	(436.23)	850.43
Other comprehensive income for the year			
(i) Items that will not be reclassified subsequently to profit or loss			
a) Net changes in fair value of investments in equity shares carried at fair value through OCI	-	0.16	0.16
b) Remeasurement of defined employee benefit plans	-	(3.34)	(3.34)
Income tax effect on remeasurement of defined employee benefit plans	-	1.17	1.17
Total other comprehensive income / (loss)	-	(2.01)	(2.01)
Total comprehensive income for the year	1,286.66	(438.24)	848.42

d) Reconciliation of total comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2017
Profit after tax under IGAAP	1,286.66
Impact financial guarantee obligation	28.65
Impact of amortization of loan	(3.47)
Impact of expected credit loss on financial assets	(3.82)
Impact of remeasurement of defined benefits plans classified in Other Comprehensive Income	3.34
impact of equity instruments through other comprehensive income	0.16
Impact of deferred income tax	(460.93)
Profit after tax under Ind AS	850.59
Other comprehensive income	(2.17)
Total comprehensive income	848.42

e) Reconciliation of cash flow

Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	648.03	(228.45)	419.58
Net cash flows used in investing activities	(888.29)	-	(888.29)
Net cash flows from financing activities	235.94	228.45	464.39
Net increase / (decrease) in cash and cash equivalents	(4.32)	-	(4.32)

Notes on reconciliations between previous GAAP and Ind AS

Excise duty

Under the previous GAAP, excise duty was netted off against sale of products. However, under Ind AS, excise duty is included in sale of products and is separately presented as expense in the statement of profit and loss under the head "other expenses".

Financial guarantee obligation

Under previous GAAP, no income is recognised in statement of profit and loss on the corporate guarantee given by the company on behalf of the Subsidiary. Under Ind AS, the financial guarantee income is required to be recognised in the statement of profit and loss in the respective periods in respect of the guarantee given by company with corresponding debit to the investments made in the respective subsidiary.

Amortization of loan

Under previous GAAP, the loan processing fees paid to the Bank at the time of disbursing the loan and is charged to statement of profit and loss in the year in which it is incurred. Under Ind AS, the same are amortised over the period of loan and required to be charged to the statement of profit and loss in the respective periods under the head "finance costs".

Expected credit loss

Under previous GAAP, the company had created provision for doubtful debts based on specific amount for incurred losses. Under Ind AS, the allowance for doubtful debts has been determined based on expected credit loss model.

Employee benefits

Under previous GAAP, actuarial gains and losses were recognised in statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability / asset which is recognised in other comprehensive income in the respective periods. As a result of this change there is no impact on the total equity as at March 31, 2017.

Other comprehensive income

The concept of other comprehensive income did not exist under previous GAAP. Under Ind AS, all items of income and expense recognised during the year should be included in profit or loss for the year, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss are shown in the statement of profit and loss as "other comprehensive income". OCI for the company includes re-measurement of defined benefit plans and fair value of equity instruments.

Deferred tax assets

Under previous GAAP, deferred tax assets have not been recognised as there was no virtual certainty supported by convincing evidence that there will be sufficient future taxable income against such deferred tax assets can be realised. Under Ind AS, as concept of virtual certainty does not exist, the deferred tax assets has to be recognised. Accordingly, deferred tax assets is recognised in the statement of profit and loss.

Redeemable preference shares

The company has issued non convertible non cumulative redeemable preference shares. Under previous GAAP, the preference shares were classified as equity. Under Ind AS, preference shares are classified as liability based on the terms of the contract. Thus, the preference share capital is reduced by ₹ 858 Lakhs as at March 31, 2017 (April 1, 2016 ₹ 858 Lakhs) with a corresponding increase in borrowings as liability component.

Effect of transition to Ind AS on cash flow statement for the year ended March 31, 2017

Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities and has no impact on the net cash flow for the year ended March 31, 2017 as compared with the previous GAAP.

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No: - 033632

Place: Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

B. K. SONI
Chief Financial Officer

DR. ARVIND K. MEHTA
Director
DIN: 01588835

SUNIL SODHANI
Company Secretary

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF,
KOPRAN LIMITED**

1 Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of KOPRAN LIMITED ("the Holding Company") and its subsidiary companies listed in Annexure "A" (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

2 Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated state of affairs (financial position), consolidated profit or loss (financial performance including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Ind AS Financial Statements.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid.

3 Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (6) of the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

4 Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate Ind AS financial statements and on the other financials information of the subsidiaries, the

aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at March 31, 2018, its consolidated profit (financial performance including other comprehensive income), its consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

6 Other Matters

- A We did not audit the financial statements and other financial information in respect of 3 subsidiaries listed in Annexure "A" included in the consolidated Ind AS financial statements whose financial statements before consolidation adjustments, reflect total assets of Rs. 20,127.68 Lakhs and net assets of Rs. 12,261.95 Lakhs as at March 31, 2018, total revenues of Rs. 17,702.68 Lakhs and net cash outflows of Rs. 51.01 Lakhs for the year ended on that date as considered in the consolidated Ind AS financial statements. These financial statements and other financial information have been audited by other auditors whose Ind AS financial statements, financial information and auditor's reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.
- B The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by predecessor auditor whose report for the year ended March 31, 2017 and March 31, 2016 dated May 24, 2017 and May 30, 2016, respectively, expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

7 Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate standalone Ind AS financial statements and other financial information in respect of 3 subsidiaries as referred in the 'Others Matters' paragraph, we report, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls of the Holding Company and its subsidiaries, incorporated in India, refer to our separate report in Annexure "B" to this report.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and also the other financial information of the subsidiaries as noted in 'Other Matters' paragraph:
 - (i) The Group has disclosed the impact, of pending litigations as at March 31, 2018 on its consolidated financial position in its Consolidated Ind AS financial statements – Refer note no. 37 to the Consolidated Ind AS financial statements;
 - (ii) As at March 31, 2018, the Group did not have any outstanding long term contracts. Provision has been made, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts – Refer Note No. 52(a) to the Consolidated Ind AS financial statements;

- (iii) There was no amount required to be transferred to the Investor Education and Protection Fund by the Holding Company and subsidiary companies during the year - Refer Note No. 52(b) to the Consolidated Ind AS financial statements; and
- (iv) The disclosure regarding details of Specified Bank Notes held and transacted during November 08, 2016 to December 30, 2016 has not been made since the requirement does not pertain to financial year ended March 31, 2018.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No.: 105049W

(S. S. SHAH)
PARTNER
Membership No.: 33632

Place: Mumbai
 Date : - May 29, 2018

Annexure “A” to the Independent Auditors’ Report of even date on the Consolidated Ind AS Financial Statements of Kopran Limited

List of subsidiaries consolidated as at March 31, 2018

Sr. No.	Name of the subsidiary
1	Kopran Research Laboratories Limited
2	Kopran Lifesciences Limited
3	Koran (H. K.) Limited

Annexure “B” to the Independent Auditors’ Report of even date on the Consolidated Ind AS Financial Statements of Kopran Limited

(Referred to in paragraph 7(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

We have audited the internal financial controls over financial reporting of Kopran Limited (‘the Holding Company’) and its subsidiary companies, which are incorporated in India, as at March 31, 2018 in conjunction with our audit of the consolidated Ind AS financial statements of the Holding Company for the year ended and as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are incorporated in india, are responsible for establishing and maintaining internal financial controls based on the respective internal control over financial reporting criteria established by the Holding Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding Company’s and its subsidiary companies, which are incorporated in india, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of Internal Financial Controls over Financial Reporting (‘the Guidance Note’) issued by the Institute of Chartered Accountants of India and the Standards on Auditing as specified under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial

controls. Those standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India, in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on consideration of reports of the other auditors as mentioned in the 'Other Matters' paragraph, the Holding Company and its subsidiary companies, incorporated in india, have maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the criteria for internal control over financial reporting established by the Holding Company and its subsidiary companies considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, in so far as it relates to separate financial statements of subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, incorporated in India.

For KHANDELWAL JAIN & CO.
Chartered Accountants
Firm Registration No.: - 105049W

S. S. SHAH
Partner
Membership No. 33632

Place: - Mumbai
Date : - May 29, 2018

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2018

(₹ in Lakhs)

Particular	Notes No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
1. Non - current assets				
Property, plant and equipment	5	10,433.03	10,434.10	10,046.80
Capital work-in-progress		737.12	480.91	313.42
Goodwill		0.58	0.58	0.58
Other intangible assets	6	9.96	12.29	-
Intangible assets under development		256.24	148.17	-
Financial assets				
Investments	7	4.91	4.88	4.71
Loans	8	188.88	179.37	166.65
Deferred tax assets (net)	9	376.04	492.16	590.85
Other non - current assets	10	164.79	101.49	414.94
Total non - current assets		12,171.55	11,853.95	11,537.95
2. Current assets				
Inventories	11	7,101.24	6,056.43	5,884.02
Financial assets				
Trade receivables	12	6,476.79	7,311.12	5,531.73
Cash and cash equivalents	13	44.02	66.21	78.05
Bank balances other than cash and cash equivalents above	14	573.56	621.90	366.22
Loans	15	547.86	544.07	447.70
Others	16	254.74	1.03	27.06
Current tax assets (net)	17	5.36	25.88	26.68
Other current assets	18	4,369.97	3,345.02	2,915.90
Total current assets		19,373.54	17,971.66	15,277.36
Total Assets		31,545.09	29,825.61	26,815.31
EQUITY AND LIABILITIES				
Equity				
Equity share capital	19	4,324.89	4,324.89	4,324.89
Other equity	20	10,145.94	8,142.47	6,153.19
Total equity		14,470.83	12,467.36	10,478.08
LIABILITIES				
1. Non - current liabilities				
Financial liabilities				
Borrowings	21	2,992.10	3,249.90	2,632.10
Provisions	22	514.35	459.43	431.14
Deferred tax liabilities (net)	23	14.48	-	-
Total non - current liabilities		3,520.93	3,709.33	3,063.24
2. Current liabilities				
Financial liabilities				
Borrowings	24	5,211.41	5,609.19	4,890.55
Trade payables	25	6,166.75	4,713.48	5,703.54
Other financial liabilities	26	1,755.86	2,527.29	2,416.16
Other current liabilities	27	273.92	463.39	223.02
Provisions	28	64.83	42.01	40.72
Current tax liabilities (net)	29	80.56	293.56	-
Total current liabilities		13,553.33	13,648.92	13,273.99
Total equity and liabilities		31,545.09	29,825.61	26,815.31
Corporate information	1			
Significant accounting policies	2			
The accompanying notes form an integral part of the consolidated financial statements	5 to 57			

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No: - 033632

Place: Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

DR. ARVIND K. MEHTA
Director
DIN: 01588835

B. K. SONI
Chief Financial Officer

SUNIL SODHANI
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

Particulars	Notes No.	(₹ in Lakhs)	
		For the year ended 31st March, 2018	For the year ended 31st March, 2017
I INCOME			
Revenue from operations	30	31,470.79	31,870.52
Other income	31	959.63	1,077.30
Total Income		32,430.42	32,947.82
II EXPENSES			
Cost of materials consumed	32	17,615.95	15,537.00
Purchases of stock-in-trade		1,688.76	2,547.53
Changes in inventories of finished goods and work-in-progress	33	(498.81)	16.41
Employee benefits expense	34	3,223.73	3,137.40
Finance costs	35	859.51	1,370.17
Depreciation and amortization expense	1 & 2	851.29	832.54
Other expenses	36	6,401.46	7,030.77
Total Expenses		30,141.89	30,471.82
Profit before exceptional items and tax		30,141.89	30,471.82
Exceptional items (net)		-	-
Profit before tax		2,288.53	2,476.00
Tax expense	50		
(1) Current tax		114.70	293.56
(2) Deferred tax	50(d)	125.20	99.86
(3) Taxation adjustment of earlier years		-	91.41
Net tax expense		239.90	484.83
Profit for the year		2,048.63	1,991.17
Other comprehensive income for the year			
(i) Items that will not be reclassified subsequently to profit or loss			
a) Net changes in fair value of investments in equity shares carried at fair value through OCI		0.03	0.16
b) Remeasurement of defined employee benefit plans [write back / (expenses)]		11.41	(3.18)
Income tax effect on remeasurement of defined employee benefit plans [(charge) / credit]		(5.41)	1.17
ii) a) Items that will be reclassified to profit or loss		-	-
b) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income / (loss) for the year		6.03	(1.85)
Total comprehensive income for the year		2,054.66	1,989.32
Earnings per equity share (₹)	38		
Basic and diluted-par value of ₹ 10 per share		4.74	4.60
Corporate Information	1		
Significant accounting policies	2		
The accompanying notes form an integral part of the consolidated financial statements	5 to 57		

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

A) Equity share capital

(₹ in Lakhs)

Particulars	Amount
As at April 1, 2016	4,324.89
Changes in equity share capital	-
As at March 31, 2017	4,324.89
Changes in equity share capital	-
As at March 31, 2018	4,324.89

B) Other equity

(₹ in Lakhs)

Particulars	Reserve and surplus						Other comprehensive income		Total
	Foreign currency translation reserve	Capital reserve	General reserve	Securities premium reserve	Export allowance reserve	Retained earnings	Equity instruments through OCI	Remeasurements of net defined benefit plans	
As at April 1, 2016	97.47	1,484.74	814.21	12,226.95	0.40	(8,559.87)	(6.48)	95.77	6,153.19
Profit for the year	(4.37)	-	-	-	-	1,995.49	-	-	1,991.12
Other comprehensive income for the year	-	-	-	-	-	-	0.16	(2.00)	(1.84)
As at March 31, 2017	93.10	1,484.74	814.21	12,226.95	0.40	(6,564.38)	(6.32)	93.77	8,142.47
Profit for the year	(1.20)	-	-	-	-	2,048.64	-	-	2,047.44
Adjustments during the year	-	-	-	-	-	(50.00)	-	-	(50.00)
Other comprehensive income for the year	-	-	-	-	-	-	0.03	6.00	6.03
As at March 31, 2018	91.90	1,484.74	814.21	12,226.95	0.40	(4,565.74)	(6.29)	99.77	10,145.94

The description of the nature and purpose of each reserve within equity is as follows:

a) Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the group's presentation currency (i.e. ₹) are recognised directly or retained earnings and accumulated in foreign currency translation reserve.

b) Capital reserve:

Capital reserves are mainly the reserves created by way of forfeiting the deposits received against the share warrants issued in the earlier years and the merger of 'Kopran Pharmaceuticals Ltd.' with the company, pursuant to the scheme of arrangement and Amalgamation sanctioned by the Hon'ble High Court of judicature at Bombay in the financial year 2004-05.

c) General reserve:

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

d) Securities premium reserve:

Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc

e) Retained earnings:

Retained earnings are the profits that the company has earned till date less any transfer to general reserve, dividends or other distributions paid to the shareholders

f) Equity instruments through OCI:

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

Corporate information	1
Significant accounting policies	2
The accompanying notes form an integral part of the consolidated financial statements	5 to 57

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No: - 033632

Place: Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors

SURENDRA SOMANI
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Director
DIN: 01588835

SUNIL SODHANI
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

PARTICULARS	Year ended 31st March, 2018	Year ended 31st March, 2017
Cash flow from operating activities		
Net Profit before tax	2,288.53	2,476.00
Adjustments for:		
Depreciation and amortisation expense	851.29	832.51
Amortisation of premium on operating lease	1.40	0.55
Dividend income	(0.13)	(0.07)
Finance cost	859.51	1,370.17
Interest income	(75.45)	(45.20)
Unrealised foreign exchange (gain) / loss (net)	(264.25)	88.13
Provision / write off for expected credit loss / trade receivables / advances (net)	41.91	274.23
Liabilities written back (net)	(10.98)	(9.79)
Other operating (Income) / expenses	(1.77)	4.42
Adjustment to security deposits	(50.00)	-
Operating profit before working capital changes	3,640.06	4,990.95
Movements in working capital		
Increase in inventories	(1,044.81)	(172.41)
Decrease / (increase) in trade receivables	857.21	(2,025.66)
Increase in loans	(13.30)	(110.04)
Increase in other current / non-current assets	(1,102.49)	(164.00)
Increase / (decrease) in trade payables	1,480.73	(1,106.05)
Increase in provisions	89.15	26.94
(Decrease) / Increase in other financial liabilities	(831.70)	(7.95)
(Decrease) / Increase in other current liabilities	(178.49)	250.16
Effects of exchange fluctuation reserve	(1.20)	(4.39)
Cash generated from operations	2,895.16	1,677.55
Direct taxes paid (net of refunds)	(307.18)	(90.61)
Net cash flow from operating activities(A)	2,587.98	1,586.94
Cash flow (used in) / from investing activities		
Purchase of fixed assets, including capital work-in-progress, capital advance and creditors for capital goods	(1,051.07)	(1,450.91)
Purchase of intangibles including Intangible assets under development	(108.07)	(160.86)
Bank balances other than cash and cash equivalents above	48.34	(255.68)
Decrease / (increase) in other financial assets	(71.92)	26.03
Interest income	75.45	45.20
Dividend income	0.13	0.07
Net cash flow used in investing activities (B)	(1,107.14)	(1,796.15)
Cash flow (used in) / from financing activities		
Proceeds from long-term borrowings (net)	11.21	(1,578.63)
Current maturities of long-term debt	13.71	225.85
Inter corporate deposits	(269.01)	2,196.43
Proceeds from short-term borrowings (net)	(405.97)	718.64
Interest paid	(851.71)	(1,364.92)
Net cash flow used in financing activities(C)	(1,501.77)	197.37
Net increase in cash and cash equivalents (A+B+C)	(20.93)	(11.84)
Cash and cash equivalents at the beginning of the year	66.21	78.05
Effect of exchange rate changes on cash and cash equivalents	(1.26)	-
Cash and cash equivalents at the end of the year (refer note no. 13)	44.02	66.21
Note:		
The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 - "Statement of Cash Flow".		
Corporate information	1	
Significant accounting policies	2	
The accompanying notes form an integral part of the consolidated financial statements	5 to 57	

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No: - 033632

Place: Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

B. K. SONI
Chief Financial Officer

DR. ARVIND K. MEHTA
Director
DIN: 01588835

SUNIL SODHANI
Company Secretary

Notes form an integral part of the consolidated financial statements

1) CORPORATE INFORMATION

Kopran Limited (KL) (“the Holding Company”) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

The holding company and its subsidiaries are engaged in the business of manufacturing of formulation (finished dosage form) and active pharmaceutical ingredients (API).

The holding company, its subsidiaries, associate and joint venture together referred as “the company” or “the group”.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

The financial statements were authorised for issue by the board of directors on May 29, 2018.

2) SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Compliance with Ind AS

In accordance with the notification dated February 16, 2015, issued by the ministry of corporate affairs, the company has adopted Indian accounting standards (referred to as “Ind AS”) notified under the companies (Indian accounting standards) Rules, 2015 with effect from April 01, 2016.

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian accounting standards) rules, 2015. These are the company’s first Ind AS financial statements. The date of transition to Ind AS is April 01, 2016. refer note no. 4 for details of first-time adoption - mandatory exceptions and optional exemptions availed by the company.

Up to the year ended March 31, 2017, the company had prepared the financial statements under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles (previous GAAP) applicable in India and the applicable accounting standards as prescribed under the provisions of the companies Act, 2013 read together with the relevant rules thereunder.

- Land and buildings classified as property, plant and equipment
- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Contingent consideration, and
- Non-cash distribution liability.

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

In accordance with Ind AS 101-“first time adoption of indian accounting standards” (Ind AS 101), the company has presented a reconciliation of shareholders’ equity under previous GAAP and Ind AS as at March 31, 2017, and April 01, 2016 and of the net profit as per previous GAAP and total comprehensive Income under Ind AS for the year ended March 31, 2017.

Historical cost convention

The Financial Statements have been prepared on the historical cost basis except for the followings:

- Certain financial assets and liabilities and contingent consideration that is measured at fair value;
- Assets held for sale measured at fair value less cost to sell;
- Defined benefit plans plan assets measured at fair value; and
- Derivative financial instruments;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The financial statements are presented in Indian rupees in Lakhs and all values are rounded to the nearest in two decimal point except where otherwise stated.

Principles of consolidation

The consolidated financial statements relate to Kopran Limited ('the Company') and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on the following basis:

The financial statements of the company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the foreign currency translation reserve.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the consolidated statement of profit and loss being the profit or loss on disposal of investment in subsidiary.

Non controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.

Non controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.

Investment in associates and joint ventures has been accounted under the equity method as per Ind AS 28 - Investments in associates and joint ventures.

The company accounts for its share of post acquisition changes in net assets of associates and joint ventures, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its share, through its consolidated statement of profit and loss, to the extent such change is attributable to the associates' statement of profit and Loss and through its reserves for the balance based on available information.

2.2 Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

2.3 Summary of significant accounting policies

(a) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary items denominated in foreign currency at the year end and not covered under forward exchange contracts are translated at the functional currency spot rate of exchange at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Foreign operations

For the purposes of presenting these consolidated financial statements, the assets and liabilities of group's foreign operations, are translated to the Indian rupees at exchange rates at the end of each reporting period. The income and expenses of such foreign operations are translated at the average exchange rates for the period. Resulting foreign currency differences are recognised to retained earnings and presented within equity as part of foreign currency translation reserve.

(b) Fair value measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The company categorizes assets and liabilities measured at fair value into one of three levels as follows:

- **Level 1 — Quoted (unadjusted)**

This hierarchy includes financial instruments measured using quoted prices.

- **Level 2**

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- **Level 3**

Level 3 inputs are unobservable inputs for the asset or liability.

(c) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and are disclosed separately under the head "other current assets". once classified as held for sale are not depreciated or amortised.

(d) Property, plant and equipment

For transition to Ind AS, the Company has elected to continue with the carrying value of its Property, Plant and Equipment (PPE) recognized as of April 01, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date.

PPE are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of recoverable taxes) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It include professional fees and borrowing costs for qualifying assets.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment are disclosed as "capital advances" under "other non - current assets" and the cost of assets not ready intended use as at the balance sheet date are disclosed as 'capital work-in-progress'.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss when the asset is derecognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Depreciation methods, estimated useful lives and residual value

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is calculated on straight line basis using the useful lives estimated by the management, which are equal to those prescribed under schedule ii to the companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset.

On assets acquired on lease (including improvements to the leasehold premises), amortization has been provided for on straight line method over the period of lease.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

(e) Goodwill and other intangible assets

For transition to Ind AS, the Company has elected to continue with the carrying value of intangible assets recognized as of April 01, 2016 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as on the transition date.

Goodwill

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the group's share of identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a cash-generating unit to which goodwill is allocated, the goodwill associated with the disposed cash-generating unit is included in the carrying amount of the cash-generating unit when determining the gain or loss on disposal.

Other intangible assets

Intangible assets are stated at cost (net of recoverable taxes) less accumulated amortization and impairment loss. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end and if necessary, changes in estimates are accounted for prospectively.

Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use it
- There is an ability to use the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use the software are available, and
- The expenditure attributable to the software during its development can be reliably measured.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the statement of profit and loss when the asset is derecognized.

Amortisation methods and periods

Intangible assets comprising of goodwill is amortized on a straight line basis over the useful life of five years which is estimated by the management.

Amortization on subsequent expenditure on intangible assets arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

(f) Impairment of non financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless

the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

(g) Leases

(i) As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(h) Inventories

Raw materials, stores and spares and packing material are valued at lower of cost and net realizable value.

Work-in-progress, finished goods and stock-in-trade are valued at lower of cost and net realizable value. Cost of raw materials, stores & spares and packing materials is determined using first in first out (FIFO) Method. Cost of work-in-progress and finished goods is determined on absorption costing method.

(i) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company collects taxes such as sales tax/value added tax, service tax, etc on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from the aforesaid revenue/ income.

The following are the specific revenue recognition criteria:

(i) Revenue from sale of goods is recognized when all the significant risk and rewards of ownership of the goods have been passed to the buyer.

(ii) Revenue from services are recognised as they are rendered based on agreements/ arrangements with the concerned parties.

(iii) Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

(iv) Dividend income

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(j) Taxes

(i) Current income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Minimum alternate tax

MAT payable for a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probable certainty that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is shown as 'MAT credit entitlement' under deferred tax. The company reviews the same at each reporting date and writes down the asset to the extent the company does not have the probable certainty that it will pay normal tax during the specified period.

(k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)

- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(i) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Debt instrument at FVTOCI

A 'debt instrument' is measured as at FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and"
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

(iv) Equity instruments measured at FVTOCI

All other equity investments are measured at fair value, with value changes recognized in statement of profit and loss, except for those equity investments for which the company has elected to present the value changes in 'other comprehensive income'.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(v) Cash and cash equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Investments in subsidiaries, associates and joint ventures

The company has accounted for its subsidiaries, Associates and Joint Ventures at cost.

De-recognition

A financial asset is de-recognized only when

- The company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL), simplified model approach for measurement and recognition of Impairment loss on trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income / expense in the statement of profit and loss.

Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments.

Initial recognition and measurement

Financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting year. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(ii) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

(iii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value and if not designated as at FVTPL, are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next

reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The company uses derivative financial instruments, such as forward currency contracts, full currency swap, options and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the company formally designates and documents the hedge relationship to which the company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedges

The effective portion of changes in the fair value of the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(I) Convertible financial instrument

Convertible instruments are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible instrument based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(m) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans viz. gratuity,
- (b) defined contribution plans viz. provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are disclosed as "remeasurements of net defined benefit plans" under the head "other comprehensive income" in the statement of changes in equity.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(vi) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

(n) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation and a reliable estimate can be made of the amount of obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

Claims against the company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(o) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the year in which they are incurred.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

(p) Segment reporting - Identification of segments

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the company's performance and allocates resources based on an analysis of various performance indicators by geographic segments.

(q) Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

(r) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with banks having the maturity of three months or less which are subject to insignificant risk of changes in value.

(s) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

(t) Dividends

The company recognises a liability to make dividend distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(u) Significant accounting judgements, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of non current assets, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities and fair value measurement.

(i) Impairment of non - financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to disclosure of fair value of investment property recorded by the company.

(ii) Useful lives of property, plant and equipment

The company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(iii) Valuation of deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(iv) Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(v) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

(vi) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

3) RECENT ACCOUNTING PRONOUNCEMENTS

Application of new and revised Ind ASs

Ministry of corporate affairs ("MCA") through companies (Indian accounting standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the company has not applied as they are effective for annual periods beginning on or after April 01, 2018:

Ind AS 115 Revenue from contracts with customers

Ind AS 21 The effect of changes in foreign exchange rates

The company is evaluating the impact of these pronouncements on the financial statements.

(a) Ind AS 115 – revenue from contracts with customers

On March 28, 2018, Ministry of Corporate Affairs (“MCA”) has notified the Ind AS 115, revenue from contract with customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity’s contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- accounting policies, changes in accounting estimates and errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 01, 2018.

The company is in the process of making an assessment of the impact of Ind AS 115 upon initial application.

(b) Appendix B to Ind AS 21, foreign currency transactions and advance consideration

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The company is evaluating the impact of this amendment on its financial statements.

4) OVERALL PRINCIPLES

The company has prepared the opening balance sheet as per Ind AS as of April 01, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognized assets and liabilities. However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the company as detailed below:

4.1 First time adoption of Ind AS

The accounting policies set out in note no. 2 have been applied in preparing the financial statements for the year ended March 31, 2018 and March 31, 2017.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS as at the transition date, i.e. April 01, 2016.

(a) Ind AS optional exemptions

(i) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible assets and investment property covered by Ind AS 40 investment properties.

Accordingly, the company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their Previous GAAP carrying value.

(ii) Designation of previously recognized financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The company has elected to apply this exemption for its investment in equity instruments.

(iii) Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The company has elected to apply this exemption for such contracts / arrangements.

(iv) Impairment of financial assets

The company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

(v) Investments in subsidiaries, associates and joint ventures

The company has elected to measure investment in subsidiaries, associates and joint ventures at cost.

(b) Ind AS mandatory exceptions

(i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made in for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(ii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly, classification and measurement of financial asset has been based on the facts and circumstances that exist at the date of transition to Ind AS.

Notes form an integral part of the consolidated financial statements

5) PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer	R & D equipment	Total
A. Gross Amount									
As At April 1, 2016 (Deemed cost)	5.60	1,994.66	7,806.84	97.62	98.72	9.76	31.60	2.00	10,046.80
Additions	439.01	39.40	662.32	21.10	33.37	12.05	10.11	2.08	1,219.44
Disposals/Transfer	-	-	-	-	-	-	-	-	-
As At March 31, 2017	444.61	2,034.06	8,469.16	118.72	132.09	21.81	41.71	4.08	11,266.24
Additions	-	60.79	706.21	6.61	52.29	6.97	14.99	-	847.86
Disposals/Transfer	-	-	-	-	-	-	-	-	-
As At March 31, 2018	444.61	2,094.85	9,175.37	125.33	184.38	28.78	56.70	4.08	12,114.10
B. Accumulated depreciation and impairment									
As At April 1, 2016 (Deemed cost)	-	-	-	-	-	-	-	-	-
Depreciation	-	81.74	696.82	15.02	17.22	4.04	16.65	0.65	832.14
Adjustments	-	-	-	-	-	-	-	-	-
As At March 31, 2017	-	81.74	696.82	15.02	17.22	4.04	16.65	0.65	832.14
Depreciation	-	83.36	712.20	15.95	20.48	5.12	11.62	0.20	848.93
Adjustments	-	-	-	-	-	-	-	-	-
As At March 31, 2018	-	165.10	1,409.02	30.97	37.70	9.16	28.27	0.85	1,681.07
C. Net carrying amount									
As At April 1, 2016 (Deemed cost)	5.60	1,994.66	7,806.84	97.62	98.72	9.76	31.60	2.00	10,046.80
As At March 31, 2017	444.61	1,952.32	7,772.34	103.70	114.87	17.77	25.06	3.43	10,434.10
As At March 31, 2018	444.61	1,929.75	7,766.35	94.36	146.68	19.62	28.43	3.23	10,433.03

Note

The company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount at the date of transition to Ind AS. refer note 4.1(a)(i).

6) INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Product development cost	Goodwill on consolidation	Total
A. Gross amount			
As At April 1, 2016 (Deemed cost)	-	0.58	0.58
Additions/Transfer	12.69		12.69
Disposals/Transfer			-
As At March 31, 2017	12.69	0.58	13.27
Additions/Transfer#	-		-
Disposals/Transfer	-		-
As At March 31, 2018	12.69	0.58	13.27
B. Accumulated amortisation (Deemed cost)			
As At April 1, 2016	-		-
Amortisation	0.40		0.40
Disposals/Transfer			-
As At March 31, 2017	0.40	-	0.40
Amortisation	2.33		2.33
Disposals/Transfer			-
As At March 31, 2018	2.73	-	2.73
C. Net carrying amount			
As At April 1, 2016 (Deemed cost)	-	0.58	0.58
As At March 31, 2017	12.29	0.58	12.87
As At March 31, 2018	9.96	0.58	10.54

Note

The company has elected to measure all its intangible assets at the previous GAAP carrying amount at the date of transition to Ind AS. refer note 4.1(a)(i).

7) NON - CURRENT FINANCIAL ASSETS - INVESTMENT

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Investments in equity instruments - Quoted - (at fair value through other comprehensive income (FVTOCI))			
200 shares (March 31, 2017: 200, April 1, 2016: 200) of Himachal Futuristic Communication Ltd.	0.05	0.03	0.03
2,874 shares (March 31, 2017: 2,874, April 1, 2016: 2,874) of IMP Power Ltd.	2.56	2.55	2.46
30 shares (March 31, 2017: 30, April 1, 2016: 30) of Advent Computers Ltd.	-	-	-
Sub - Total	2.61	2.58	2.49
b) Investments in equity instruments - unquoted - (at fair value through other comprehensive income (FVTOCI))			
20,000 shares (March 31, 2017: 20,000, April 1, 2016: 20,000) of Kapol Co-Op. Bank Ltd.	2.00	2.00	2.00
1,000 shares (March 31, 2017: 1,000, April 1, 2016: 1,000) of Saraswat Co-Op. Bank Ltd.	1.64	1.64	1.56
500 shares (March 31, 2017: 500, April 1, 2016: 500) of the New India Co-Op. Bank Ltd.	0.26	0.26	0.26
25,000 shares (March 31, 2017: 25,000, April 1, 2016: 25,000) of Mandvi Co-Op. Bank Ltd.	2.50	2.50	2.50
Less: Provision for impairment in value of investments	(4.50)	(4.50)	(4.50)
Sub - Total	1.90	1.90	1.82
c) Investments in government securities (non-trade) - (at amortised cost)			
7 years national savings certificate (lodged with collector of central excise and sales tax authority- Mumbai)	0.40	0.40	0.40
Total	4.91	4.88	4.71
Aggregate amount of quoted Investment	8.65	8.65	8.65
Market value of quoted investment	2.61	2.58	2.49
Aggregate amount of unquoted Investment	6.40	6.40	6.32
Aggregate amount of impairment in value of investments	4.50	4.50	4.50

8) NON - CURRENT FINANCIAL ASSETS - LOANS

Unsecured, considered good

Security Deposits	188.88	179.37	166.65
Total	188.88	179.37	166.65

9) DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Deferred tax liabilities (Gross)				
Relating to depreciation on fixed assets	(a)	522.13	513.87	492.40
Deferred tax assets (gross)				
Provision for gratuity		88.03	81.45	71.42
Provision for leave encashment		31.56	23.50	31.05
Unabsorbed depreciation		294.00	484.57	917.80
Provision for expected credit loss		8.74	68.10	66.77
Provision for bonus		0.07	(12.66)	(3.79)
	(b)	<u>422.40</u>	<u>644.96</u>	<u>1,083.25</u>
MAT credit entitlement	(c)	475.77	361.07	-
Net deferred tax assets - (b) + (c) - (a)		<u>376.04</u>	<u>492.16</u>	<u>590.85</u>

10) OTHER NON - CURRENT ASSETS

Capital advances		33.84	48.08	96.41
Balance with statutory / government authorities		-	2.99	265.44
Premium on land under operating lease		119.52	49.29	49.82
Prepaid expenses		11.43	1.13	3.27
Total		<u>164.79</u>	<u>101.49</u>	<u>414.94</u>

11) INVENTORIES

(Valued at lower of cost or net realisable value)

Raw materials {Includes stocks in transit ₹ 1351.20 Lakhs (March 31, 2017: ₹ 524.32 Lakhs, April 01, 2016: ₹ 862.27 lakhs)}		4,121.50	3,570.44	3,429.85
Work-in-process		1,930.94	1,640.84	1,534.37
Finished goods		467.53	258.82	381.70
Stores and spares		165.18	155.57	173.78
Packing materials		416.09	430.76	364.32
Total		<u>7,101.24</u>	<u>6,056.43</u>	<u>5,884.02</u>

12) CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

Unsecured, considered good

Receivable from other parties		6,504.24	7,533.31	5,688.61
Doubtful others		141.20	80.92	123.09
Less: Expected credit loss		(168.65)	(303.11)	(279.97)
Total		<u>6,476.79</u>	<u>7,311.12</u>	<u>5,531.73</u>

13) CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakhs)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balance with Banks			
On current accounts	42.27	59.74	68.94
Cash on hand	1.75	6.47	9.11
Total	<u>44.02</u>	<u>66.21</u>	<u>78.05</u>

14) CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Fixed deposits (Maturity of more than 3 months & less than 12 months) (Held as margin money or security against the guarantees and letter of credit)	573.56	621.90	366.22
Total	<u>573.56</u>	<u>621.90</u>	<u>366.22</u>

15) CURRENT FINANCIAL ASSETS - LOANS

Unsecured, considered good			
Security deposits	400.00	400.00	400.00
Loans to employees	147.86	144.07	47.70
Total	<u>547.86</u>	<u>544.07</u>	<u>447.70</u>

16) CURRENT FINANCIAL ASSETS - OTHERS

Foreign currency forward contracts	253.61	-	-
Interest receivable	1.13	1.03	27.06
Total	<u>254.74</u>	<u>1.03</u>	<u>27.06</u>

17) CURRENT TAX ASSETS (NET)

Advance income-tax (net of provision of taxation)	5.36	25.88	26.68
Total	<u>5.36</u>	<u>25.88</u>	<u>26.68</u>

18) OTHER CURRENT ASSETS

Prepaid expenses	118.56	108.40	92.59
Balance with statutory / government authorities	4,204.11	3,162.99	2,666.04
Others	47.30	73.63	157.27
Total	<u>4,369.97</u>	<u>3,345.02</u>	<u>2,915.90</u>

19) EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number	Rs.	Number	Rs.	Number	Rs.
Authorised						
Equity shares of ₹ 10 each	5,62,50,000	5,625.00	5,62,50,000	5,625.00	5,62,50,000	5,625.00
Total	5,62,50,000	5,625.00	5,62,50,000	5,625.00	5,62,50,000	5,625.00
Issued						
Equity shares of ₹10 each fully paid up	4,32,52,602	4,325.26	4,32,52,602	4,325.26	4,32,52,602	4,325.26
Subscribed and paid up						
Equity shares of ₹ 10 each fully paid up	4,32,52,602	4,325.26	4,32,52,602	4,325.26	4,32,52,602	4,325.26
Less: Calls in-arrears (other than director's)		(0.37)		(0.37)		(0.37)
Total	4,32,52,602	4,324.89	4,32,52,602	4,324.89	4,32,52,602	4,324.89

(i) Reconciliation of number of equity share

Particulars	As at 31st March, 2018 Number of Shares	As at 31st March, 2017 Number of Shares	As at 1st April, 2016 Number of Shares
Opening Balance	4,32,52,602	4,32,52,602	4,11,02,602
Add : Shares Issued during the year	-	-	21,50,000
Closing Balance	4,32,52,602	4,32,52,602	4,32,52,602

(ii) Rights, preferences and restrictions attaching to each class of shares equity shares having a face value of ₹ 10/- each.

As to voting

The company has only one class of shares referred to as equity shares having a face value of ₹10. Each holder of the equity share is entitled to one vote per share.

As to distribution of dividends

The shareholders are entitled to receive dividend in proportion to the amount of paid up equity shares held by them. The company has not declared any dividend during the year.

As to repayment of capital

In the event of liquidation of the company, the holders of equity shares are entitled to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion of the number of shares held by the shareholders.

(iii) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

There is no holding company or ultimate holding company of the company. accordingly, disclosures pertaining to shares of the Company held by held by holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company is not applicable.

(iv) Details of shareholders holding more than 5% shares in the company

(₹ in Lakhs)

Name of Shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Share held	% of Holding	No. of Share held	% of Holding	No. of Share held	% of Holding
Equity shares of ₹ 10 each fully paid						
Panorama finvest pvt ltd	38,00,000	8.79	38,00,000	8.79	38,00,000	8.79
Sarvamangal mercantile co. ltd	29,02,951	6.71	29,02,951	6.71	29,02,951	6.71
Oricon properties pvt. ltd	59,61,758	13.78	59,61,758	13.78	59,61,758	13.78
Rajendra somani	23,24,250	5.37	23,24,250	5.37	23,24,250	5.37

20) OTHER EQUITY

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Reserves and surplus			
Reserves and surplus			
Foreign currency translation reserve	91.90	93.10	97.47
Capital reserve	1,484.74	1,484.74	1,484.74
General reserve	814.21	814.21	814.21
Securities premium reserve	12,226.95	12,226.95	12,226.95
Export allowance reserve	0.40	0.40	0.40
Retained earnings	(4,565.74)	(6,564.38)	(8,559.87)
Sub Total - A	10,052.46	8,055.02	6,063.90
Other comprehensive income (OCI)			
Equity Instruments through OCI	(6.29)	(6.32)	(6.48)
Remeasurements of net defined benefit plans	99.77	93.77	95.77
Sub Total - B	93.48	87.45	89.29
Total - A + B	10,145.94	8,142.47	6,153.19

Note

Refer statement of changes in equity for details of movements in the balances of each items of reserves and surplus and OCI under the head "Other equity" and the nature and purpose of each reserve.

21) NON - CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured

Term loans

From others - vehicle loan 43.77 32.56 32.67

Unsecured

10% non convertible non cumulative redeemable Preference shares of ₹ 10 each 858.00 858.00 858.00

Inter corporate deposits

Related parties 1,690.85 1,983.00 7.00

Others 399.48 376.34 155.91

Others - - 1,578.52

Total 2,992.10 3,249.90 2,632.10

a) Vehicle loans are secured by way of hypothecation of vehicles.

Rate of Interest - 8.94% p.a. to 10.25 % p.a.

Terms of repayment are as under:

31.03.2019 - ₹ 31.46 Lakhs

31.03.2020 - ₹ 18.75 Lakhs

31.03.2021 - ₹ 10.05 Lakhs

31.03.2022 - ₹ 8.45 Lakhs

31.03.2023 - ₹ 6.52 Lakhs

b) Terms of redemption of preference shares

- i) 5,580,000 10% non convertible non cumulative redeemable preference shares of ₹ 10/- each are redeemable at par on March 15, 2025 or at any time after one year from March 31, 2012 at the option of the company.
- ii) 1,000,000 10% non convertible non cumulative redeemable preference shares of ₹ 10/- each are redeemable at par on June 28, 2019 or at any time after one year from March 31, 2012 at the option of the company.
- iii) 20,00,000 10% non convertible non cumulative redeemable preference shares of ₹ 10/- each are redeemable at par on June 22, 2019 or at any time after one year from March 31, 2012 at the option of the company.

c) Inter-corporate deposits from related parties and other parties are unsecured.

Rate of Interest - 10.50% p.a. to 13.50% p.a.

Inter corporate deposits are repayable as under:

31.03.2019 - ₹ 648.41 Lakhs

31.03.2020 - ₹ 1,622.26 Lakhs

31.03.2021 - ₹ 468.07 Lakhs

22) NON - CURRENT LIABILITIES - PROVISIONS

Particulars	(₹ in Lakhs)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Gratuity	406.95	375.92	327.92
Leave encashment	107.40	83.51	103.22
Total	514.35	459.43	431.14

23) DEFERRED TAX LIABILITIES

Deferred tax liability			
Relating to depreciation on fixed assets	298.96	348.22	194.79
Deferred tax assets			
Unabsorbed depreciation & business loss adjusted for timing difference	189.20	434.64	557.75
Disallowances under Income tax Act, 1961	95.28	62.14	55.19
	284.48	496.78	612.94
Deferred tax assets recognised to extent of deferred tax liabilities	-	348.22	194.79
Total	14.48	-	-

24) CURRENT FINANCIAL LIABILITIES - BORROWINGS

Secured, Repayable on demand			
From banks			
Cash credit / packing credit	3,810.83	2,981.60	2,649.38
Buyers credit	1,322.58	1,963.59	1,150.17
Unsecured			
Loan from Director	78.00	664.00	1,091.00
Total	5,211.41	5,609.19	4,890.55

Security and rate of interest

Cash credit / packing credit / buyers credit is secured by:

1st pari passu hypothecation charge on entire stocks and receivables of the company both present and future.

2nd pari passu charge on entire fixed assets of the Company both present and future.

Corporate guarantee of subsidiary company - Kopran Research Laboratories Limited and personal guarantee of director / promoter aggregating to ₹ 3,600.00 Lakhs.

Corporate guarantee of holding company - Kopran Limited and personal guarantee of director / promoter aggregating to ₹ 6,250.00 Lakhs.

Rate of Interest on cash credit - 10.05% p.a. to 11.50% p.a.

Rate of Interest on packing credit - Libor + 2.50% p.a.

Rate of Interest on buyers credit - Libor + 0.50% p.a. to Libor + 1.50% p.a.

25) CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Due to micro and small enterprises (refer note no.46)	23.62	21.40	17.36
Due to Others (including acceptances)	6,143.13	4,692.08	5,686.18
Total	6,166.75	4,713.48	5,703.54

26) CURRENT FINANCIAL LIABILITIES - OTHER

Current maturities of long-term debt (for security, rate of interest and terms of repayment refer note no. 21 above)	679.87	666.16	440.31
Interest accrued but not due	16.85	9.05	3.53
Security deposits	24.69	12.19	12.19
Other payables			
Creditors for capital goods	159.31	120.55	232.84
Employees payables	400.77	408.05	487.28
Creditors for expenses	361.11	283.10	450.07
Provision expenses	49.66	177.61	16.58
Others	63.60	850.58	773.36
Total	1,755.86	2,527.29	2,416.16

27) OTHER CURRENT LIABILITIES

Advance from customers	45.99	92.87	90.77
Statutory liabilities	86.86	100.71	98.81
Other Payables	141.07	269.81	33.44
Total	273.92	463.39	223.02

28) CURRENT LIABILITIES - PROVISIONS

Gratuity	36.51	15.80	17.47
Leave encashment	28.32	26.21	23.25
Total	64.83	42.01	40.72

29) CURRENT TAX LIABILITIES

Provision for tax (net of advance tax)	80.56	293.56	-
Total	80.56	293.56	-

Notes forming part of consolidated statement of profit and loss account

(₹ in Lakhs)

30) REVENUE FROM OPERATION

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Sale of products	30,610.48	31,027.31
Other operating revenues		
Scrap sales	23.58	22.67
Other	836.73	820.54
Total	<u>31,470.79</u>	<u>31,870.52</u>

31) OTHER INCOME

Dividend income		
Long - term investments	0.13	0.07
Interest Income		
On fixed deposit	39.60	32.45
Others	35.85	12.75
Liabilities written back (net)	10.98	9.79
Net gain on foreign currency transaction and translation	871.46	1,002.92
Service tax refund	1.61	-
Excise duty on closing stock	-	11.14
Miscellaneous income	-	8.18
Total	<u>959.63</u>	<u>1,077.30</u>

32) COST OF MATERIALS CONSUMED

Raw material consumption		
Opening stock	3,570.43	3,429.85
Add: Purchases	16,548.79	14,077.41
	<u>20,119.22</u>	<u>17,507.26</u>
Less : Closing stock	4,121.50	3,570.43
Sub Total	<u>15,997.72</u>	<u>13,936.83</u>
Packing materials consumption		
Opening stock	430.76	364.32
Add: Purchases	1,603.56	1,666.61
	<u>2,034.32</u>	<u>2,030.93</u>
Less : Closing stock	416.09	430.76
Sub Total	<u>1,618.23</u>	<u>1,600.17</u>
Total	<u>17,615.95</u>	<u>15,537.00</u>

33) CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Opening Inventories		
Finished goods	258.82	381.70
Work in progress	1,640.84	1,534.37
Sub Total	<u>1,899.66</u>	<u>1,916.07</u>
Closing Inventories		
Finished goods	467.53	258.82
Work in progress	1,930.94	1,640.84
Sub - Total	<u>2,398.47</u>	<u>1,899.66</u>
Total	<u>(498.81)</u>	<u>16.41</u>

34) EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Lakhs)	
	Year ended 31st March, 2018	Year ended 31st March, 2017
Salaries and wages	2,822.54	2,751.36
Contribution to provident and other funds	156.72	138.37
Staff welfare expenses	244.47	247.67
Total	3,223.73	3,137.40

35) FINANCE COSTS

Interest expense	533.45	878.85
Other borrowing cost	326.06	491.32
Total	859.51	1,370.17

36) OTHER EXPENSES

Stores and spares consumed		496.19		476.37
Power and fuel		1,467.08		1,370.62
Rent		240.00		240.00
Repairs and maintenance				
Building		46.21		97.25
Machinery		145.40		127.44
Others		57.89		66.13
Insurance		64.08		75.50
Commission on sales		795.38		753.37
Selling and distribution expenses		160.85		92.41
Job work charges		771.12		713.68
Packing, freight and forwarding		556.42		505.83
Payment to auditors (refer note no. 48)		13.30		9.30
Printing and stationery		65.30		57.02
Postage, telegram and telephone		53.45		57.92
Travelling and conveyance		228.82		248.47
Legal and professional fees		384.52		376.29
Rates and taxes		68.12		118.56
Labour charges		119.48		103.46
Directors' sitting fees		4.69		4.09
Sundry balances written off		0.33		0.10
Bad debts	176.03	-	250.99	-
(Less)/Add: Provision for expected credit loss / written back	<u>(134.45)</u>	41.58	<u>23.14</u>	274.13
Excise duty		138.81		898.44
Amortization of premium on operating lease		1.40		0.55
Loss on sale of license		15.86		-
Miscellaneous expenses		465.18		363.84
Total		6,401.46		7,030.77

37) CAPITAL COMMITMENTS & CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Contingent liabilities			
Guarantees given by the company's bankers on behalf of the group	68.75	85.83	99.93
Corporate guarantee given to bank for finance provided to Kopran Limited	3,600.00	3,600.00	3,600.00
Corporate guarantee given for loan taken by subsidiary (to the extent amount utilised)	3,873.94	4,163.36	-
Bills discounted with banks	3,295.61	2,819.79	3,314.65
Disputed tax matters			
Excise duty demand disputed in appeal	140.30	141.30	142.77
Service tax demand disputed in appeal	523.34	518.53	518.53
Other claims / demands against company not acknowledged as debts			
a) Demand under Drug Price Control Order - 95 (DPCO - 95) demand disputed in appeal	591.34	591.34	591.34
b) Others	29.09	29.09	29.09
b) Capital commitments			
Estimated amounts of contracts remaining to be executed on capital account (net of advances) and not provided for	106.30	281.92	591.98

38) BASIC AND DILUTED EARNINGS PER SHARE [EPS] COMPUTED IN ACCORDANCE WITH IND AS 33 "EARNINGS PER SHARE"

	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
Net profit as per the statement of profit and loss available for Equity shareholders (₹ in Lakhs)	2,048.63	1,991.17
Number of equity shares outstanding (no's in Lakhs)	432.53	432.53
Weighted average number of equity shares for basic and Diluted earnings per share (no's in Lakhs)	432.53	432.53
Nominal value of equity shares ₹	10.00	10.00
Earnings per share:		
Basic (in ₹)	4.74	4.60
Diluted (in ₹)	4.74	4.60

39) CIF VALUE OF IMPORTS

Raw materials / packing material	10,778.81	8,645.21
Capital goods (including capital work-in-progress)	115.07	32.29
Total	10,893.88	8,677.50

40) EXPENDITURE IN FOREIGN CURRENCY

Particulars	(₹ in Lakhs)	
	Year ended 31st March, 2018	Year ended 31st March, 2017
Commission	699.68	753.58
Registration fees	59.20	51.47
Bank interest on buyers credit	25.12	15.27
Export promotion expenses	108.89	27.00
Travelling expenses	60.04	89.41
Research & development charges	0.48	-
Product registration	2.27	-
Plant Inspection charges	3.91	26.61
Membership & subscription	-	3.04
Others	28.94	24.49
Total	988.53	990.87

41) EARNINGS IN FOREIGN CURRENCY

FOB Value of exports	23,446.11	22,008.50
Total	23,446.11	22,008.50

42) DISCLOSURE PURSUANT TO IND AS 19 “EMPLOYEE BENEFITS”

a) Defined contribution plan

Contributions to defined contribution plan, recognised are charged off for the year are as under:

Employer’s contribution to provident fund	131.19	135.36
Employer’s contribution to labour welfare fund	0.43	0.30
Employer’s contribution to ESIC	25.10	5.89
Total	156.72	141.55

b) Defined Benefit plan

The employees’ gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner.

i) Gratuity benefits (unfunded)

(₹ in Lakhs)

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Present value of the projected benefit obligation		
Present value of benefit obligation at the beginning of the year	391.72	345.38
Interest cost	29.65	27.49
Current service cost	33.68	29.91
Past service cost	25.01	-
Actuarial (gains) / losses on obligations - due to change in financial assumptions	(27.05)	16.67
Actuarial (gains) / losses on obligations - due to experience	15.64	(13.49)
Benefits paid directly by employer	(25.19)	(14.24)
Present value of benefit obligation at the end of the year	443.46	391.72
Change in the fair value of plan assets		
Fair value of Plan Assets at the beginning of the year	-	-
Interest income	-	-
Contributions by the employer	-	-
Expected contributions by the employees	-	-
Return on plan assets, excluding interest income	-	-
Fair value of plan assets at the end of the year	-	-
Amount recognised in the balance sheet		
Present value obligations at the end of the year		
Fair value of plan assets at the end of the year	(443.46)	(391.72)
Funded status surplus / (deficit)	-	-
Net (liability) / asset recognised in the balance sheet	(443.46)	(391.72)
Net interest cost for the current year		
Present value benefit obligation at the beginning of the year	391.72	345.38
Fair value of plan assets at the beginning of the year	-	-
Net liability / (asset) at the beginning	391.72	345.38
Interest cost	29.65	27.49
Interest income	-	-
Interest cost for the current year	29.65	27.49
Expenses recognised in the statement of profit or loss for the current year		
Current service cost	33.68	29.91
Net interest cost	29.65	27.49
Past service cost	25.01	-
Expenses recognised	88.34	57.40
Expenses recognized in the other comprehensive income (OCI) for current year		
Actuarial (gains) / losses on obligation for the year	(11.41)	3.18
Return on plan assets, excluding interest income	-	-
Change in asset ceiling	-	-
Net (income) / expense for the year recognized in OCI	(11.41)	3.18

(₹ in Lakhs)

Balance sheet reconciliation		
Opening net liability	391.72	345.38
Expenses recognised in the statement of profit or loss	88.34	57.40
Expenses recognised in OCI	(11.41)	3.18
Benefits paid directly by employer	(25.19)	(14.24)
Net liability / (asset) recognised in the balance sheet	443.46	391.72
Category of assets		
NIL, as funding status in unfunded.	-	-
Maturity analysis of the benefit payments from the employer		
Projected benefits payable in future years from the date of reporting		
1st following year	36.51	18.23
2nd following year	9.58	6.51
3rd following year	10.98	21.74
4th following year	34.45	12.74
5th following year	21.76	25.95
Sum of years of 6 to 10	150.64	122.25
Sum of years of 11 and above	922.81	880.73
Sensitivity Analysis		
<p>The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.</p> <p>The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.</p> <p>Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.</p> <p>There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.</p>		
Projected benefit obligation on current assumptions	443.46	391.72
Delta effect of + 0.50% change in rate of discounting	(21.78)	(21.18)
Delta effect of - 0.50% change in rate of discounting	23.51	22.94
Delta effect of + 0.50% change in rate of salary increase	23.37	23.18
Delta effect of - 0.50% change in rate of salary increase	(21.78)	(21.58)
Delta effect of + 0.50% change in rate of employee turnover	4.27	2.89
Delta effect of - 0.50% change in rate of employee turnover	(4.53)	(3.08)
Assumptions used to determine the benefit obligations		
Rate of discounting	7.87%	7.57%
Rate of salary increase	5.50% & 6.00%	6.00%
Rate of employee turnover	1.00%	1.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	

ii) Leave Encashment (unfunded)

(₹ in Lakhs)

Particulars	As at 31st March, 2018 ₹	As at 31st March, 2017 ₹
Present value of the projected benefit obligation		
Present value benefit obligation at the beginning of the year	109.72	126.47
Interest cost	8.31	10.06
Current service cost	7.89	9.25
Actuarial (gains) / losses on obligations - due to change in financial assumptions	(7.47)	3.23
Actuarial (gains) / losses on obligations - due to experience	39.81	(20.34)
Benefits paid directly by employer	(22.54)	(18.95)
Present value of benefit obligation at the end of the year	135.72	109.72
Change in the fair value of plan assets		
Fair value of plan assets at the beginning of the year	-	-
Interest Income	-	-
Contributions by the employer	-	-
Expected Contributions by the employees	-	-
Return on Plan assets, excluding interest income	-	-
Fair value of plan assets at the end of the year	-	-
Actuarial (gains) / losses recognised in the statement of profit or Loss for the current year		
Actuarial (gains) / losses on obligation for the year	32.34	(17.11)
Return on plan assets, excluding interest income	-	-
Sub- total	32.34	(17.11)
Actuarial (gains) / losses recognised in the statement of profit or loss	32.34	(17.11)
Actual return on plan assets		
Interest income	-	-
Return on plan assets, excluding interest income	-	-
Actual return on plan assets	-	-
Amount recognised in the balance sheet		
Present value obligations at the end of the year	(135.72)	(109.72)
Fair value of plan assets at the end of the year	-	-
Funded status surplus / (deficit)	(135.72)	(109.72)
Unrecognised past service cost at the end of the period	-	-
Net (liability) / asset recognised in the balance sheet	(135.72)	(109.72)
Net interest cost for the current year		
Present value benefit obligation at the beginning of the year	109.72	126.47
Fair value of plan assets at the beginning of the year	-	-
Net (liability) / asset at the beginning	109.72	126.47
Interest cost	8.31	10.06
Interest income	-	-
Net interest cost for the current year	8.31	10.06

(₹ in Lakhs)

Expenses recognised in the statement of profit or loss for the current year		
Current service cost	7.89	9.25
Net interest cost	8.31	10.06
Actuarial (gains) / losses	32.34	(17.11)
Expenses recognised in the statement of profit or loss	48.54	2.20
Balance sheet reconciliation		
Opening net liability	109.72	126.47
Expenses recognised in the statement of profit or loss	48.54	2.20
Employers contribution	-	-
Benefits paid directly by employer	(22.54)	(18.95)
Net liability / (assets) recognised in the balance sheet	135.72	109.72
Category of assets		
NIL, as Funding status in unfunded	-	-
Assumptions used to determine the benefit obligations		
Rate of discounting	7.87%	7.57%
Rate of salary increase	6.00%	6.00%
Rate of employee turnover	1.00%	1.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	

43) Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

(a) Names of related parties where control exists:

Key Management Personnel	Surendra Somani (Executive Vice Chairman)
	B. K. Soni (Chief Financial Officer)
	Sunil Sodhani (Company Secretary)
	Chandra M Singhi (Director)
	Rakesh Doshi (Director)
	K B Shetty (Chief Financial Officer)
	Shiv Bhagwan Biyani (Director - till November 14, 2017)
	Mrs. Vandana Somani (Director)
	Hansa Gaggar (Company Secretary)
Enterprises Significantly influenced by KMP or their relative (With whom there are transaction)	Oricon Enterprises Limited
	Shinrai Auto Services Limited
	Kopran Laboratories Limited
	Oriental Containers Ltd.

The following transactions were carried out during the year with the related parties in the ordinary course of business:

(₹ in Lakhs)

Nature of transaction	Key management personnel		Enterprises significantly influenced by KMP or their relative		Total	
	2017-2018	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017
Loan received						
Oricon Enterprises Limited *	-	-	2,705.00	5,880.00	2,705.00	5,880.00
Oriental Containers Ltd.	-	-	-	3,060.00	-	3,060.00
Mrs. Vandana Somani	500.00	-	-	-	500.00	-
Surendra Somani	170.00	-	-	-	170.00	-
Total	670.00	-	2,705.00	8,940.00	3,375.00	8,940.00
Repayment of loan taken						
Surendra Somani	92.00	427.00	-	-	92.00	427.00
Oricon Enterprises Limited *	-	-	2,159.00	4,100.00	2,159.00	4,100.00
Oriental Containers Ltd.	-	-	832.00	2,228.00	832.00	2,228.00
Mrs. Vandana Somani	1,164.00	-	-	-	1,164.00	-
Total	1,256.00	427.00	2,991.00	6,328.00	4,247.00	6,755.00
Purchases						
Kopran Laboratories Limited	-	-	-	401.56	-	401.56
Oricon Enterprises Limited	-	-	2,258.08	937.48	2,258.08	937.48
Total	-	-	2,258.08	1,339.04	2,258.08	1,339.04
Purchase of fixed assets						
Oricon Enterprises Limited	-	-	-	421.87	-	421.87
Shinrai Auto Services Limited	-	-	-	20.96	-	20.96
Total	-	-	-	442.83	-	442.83
Interest expense						
Oricon Enterprises Limited *	-	-	232.85	85.08	232.85	85.08
Oriental Containers Ltd.	-	-	52.64	94.80	52.64	94.80
Total	-	-	285.49	179.88	285.49	179.88
Interest received						
Kopran Laboratories Limited	-	-	-	9.68	-	9.68
Total	-	-	-	9.68	-	9.68
Loan given						
Kopran Laboratories Limited	-	-	-	435.00	-	435.00
Total	-	-	-	435.00	-	435.00
Repayment of loan given						
Kopran Laboratories Limited	-	-	-	435.00	-	435.00
Total	-	-	-	435.00	-	435.00

The following transactions were carried out during the year with the related parties in the ordinary course of business:

(₹ in Lakhs)

Nature of transaction	Key management personnel		Enterprises significantly influenced by KMP or their relative		Total	
	2017-2018	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017
Miscellaneous expenses						
Oricon Enterprises Limited - Rent	-	-	240.00	240.00	240.00	240.00
Oricon Enterprises Limited - Others	-	-	4.98	9.60	4.98	9.60
Kopran Laboratories Limited - Others	-	-	-	14.94	-	14.94
Shinrai Auto Services Limited - Repairs	-	-	5.20	20.86	5.20	20.86
Total	-	-	250.18	285.40	250.18	285.40
Remuneration						
Surendra Somani	148.73	94.11	-	-	148.73	94.11
B. K. Soni	20.18	18.14	-	-	20.18	18.14
Sunil Sodhani	13.61	13.71	-	-	13.61	13.71
Chandra M Singh	37.05	37.08	-	-	37.05	37.08
Rakesh Doshi	12.42	-	-	-	12.42	-
K B Shetty	10.14	8.71	-	-	10.14	8.71
Shiv Bhagwan Biyani	10.56	15.84	-	-	10.56	15.84
Hansa Gaggar	3.18	1.95	-	-	3.18	1.95
Total	255.87	189.55	-	-	255.87	189.55
Director sitting fees						
Shiv Bhagwan Biyani	0.08	0.08	-	-	0.08	0.08
Mrs. Vandana Somani	0.15	0.09	-	-	0.15	0.09
Total	0.23	0.17	-	-	0.23	0.17
Balance payable / (receivable) as at March 31, 2018						
Oricon Enterprises Ltd - interest payable	-	-	18.67	-	18.67	-
Oricon Enterprises Ltd. *	-	-	3,738.03	1,789.58	3,738.03	1,789.58
Kopran Laboratories Limited	-	-	-	(144.95)	-	(144.95)
Surendra Somani (Executive Vice Chairman)	85.00	7.00	-	-	85.00	7.00
Mrs. Vandana Somani (Director)	-	664.00	-	-	-	664.00
Shinrai Auto Services Limited	-	-	-	1.04	-	1.04
Oriental Containers Ltd. - Loan	-	-	-	832.00	-	832.00
Total	85.00	671.00	3,756.70	2,477.66	3,841.70	3,148.66

* During the year ended March 31, 2018, Oricon Properties Private Limited, a wholly owned subsidiary of Oricon Enterprises Limited has merged with Oricon Enterprises Limited as per the Scheme of Amalgamation approved by the NCLT vide its order dated October 18, 2017. The appointed date was July 01, 2017. As a result of this, the figures of previous year ended March 31, 2017 have also been restated accordingly to incorporate the impact the the Scheme of Amalgamation.

44) Disclosure of Derivative

i) Particulars of derivatives as at balance sheet date:

(₹ in Lakhs)

Purpose	Currency	As at 31st March, 2018	As at 31st March, 2017
Forward exchange contracts (for export debtors)	USD	210.47	9.17
Forward contract value	₹	13,689.20	594.49
Forward exchange contracts (for Import Creditors)	USD	-	3.82
Forward contract value	₹	-	247.69

ii) The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at March 31, 2018 are as follows:

Particulars	Foreign currency denomination	As at March 31, 2018		As at March 31, 2017	
		Foreign currency amount	Amount	Foreign currency amount	Amount
Payables	USD	68.78	4,473.45	71.42	4,630.75
	EURO	-	-	0.29	20.36
	GBP	0.01	0.92	-	-
Receivables	USD	49.88	3,244.20	67.46	4,374.12
	EURO	1.52	122.54	1.07	73.83
	GBP	0.61	56.29	1.73	140.13
	JYP	5.29	3.28	14.25	8.39
Foreign currency bank account	USD	0.05	3.25	0.05	3.20

The foreign currency outstanding has been translated at the rates of exchange prevailing on the balance sheet date.

45) Disclosures pursuant to Ind AS 108 "Segment Reporting"

The Chief Operating Decision Maker ("CODM") evaluates the group's performance and allocates resources based on an analysis of various performance indicators by reportable segments. The Group's reportable segments are as follows:

The Company is primarily engaged in the business of manufacturing of "formulation (finished dosage form) and active pharmaceutical ingredients (API)" i.e., "Pharmaceuticals" which in the context of Ind AS 108 on "Operating Segments" constitutes a single reportable segment and hence no separate financial disclosures provided in respect of its single business segment.

a) Information about products

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Bulk drugs	16,960.81	15,468.51
Tablet / capsules / liquids	13,467.70	15,395.22
Others	181.97	163.58
Total	30,610.48	31,027.31

b) Information about geographical areas

The management also evaluates the Group's revenue performance based on geographical segments. The Group's geographical segments are as follows:

(i) Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
India	7,189.44	8,599.38
South Africa	8,037.36	9,278.01
Egypt	2,373.04	1,171.31
Turkey	2,036.14	-
Germany	-	776.18
Rest of World	11,834.81	12,045.64
Total	31,470.79	31,870.52

(ii) Non - current assets

Particulars	Year ended 31st March, 2018 ₹	Year ended 31st March, 2017 ₹
India	11,588.91	11,161.58
Hong Kong	12.81	15.96
Total	11,601.72	11,177.54

c) Information about major customers

Revenues from one of the customers of the company were approximately ₹ 5,575.18 Lakhs representing approximately 23.13% of the Company's total revenue from operations, for the year ended March 31, 2018.

Revenues from two of the customers of the company were approximately ₹ 4,616.45 Lakhs and ₹ 2,433.17 representing approximately 19.93% and 10.50%, respectively, of the company's total revenue from operations, for the year ended March 31, 2017.

The reportable segments derives their revenues from the sale of pharmaceuticals products. The CODM reviews revenue as the performance indicator. The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the group's consolidated financial statements.

46) Dues to micro, small and medium enterprises (MSME)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Principal amount due to suppliers under MSMED Act, 2006	23.62	21.40	17.36
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-	-

The above information has been determined to the extent such parties could be identified on the basis of the status of suppliers under MSMED.

47) Disclosures pursuant to Ind AS 17 "Leases"

a) The Company has taken office premises under operating lease.

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Lease payments in respect of such lease recognised in statement of profit and loss account	240.00	240.00

b) Total of future minimum lease payments in respect of such non cancellable operating lease are as follows:

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Not later than one year	240.00	240.00
Later than one year and not later than five years	180.00	420.00
Later than five years	-	-

48) Payments to auditor (excluding service tax / goods and service tax)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
As auditor		
Audit fees	10.00	7.30
Tax audit fees	3.00	2.00
Total	13.30	9.30

49) In the opinion of the board, current assets and loans and advances are approximately of the value stated if realised in the ordinary course of business. The provision for all known and determined liabilities are adequate and not in excess of the amounts reasonably required. The Balances of few creditors are subject to their confirmation.

50) Current tax and deferred tax

a) Income tax expense recognised in statement of profit and loss

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Current tax		
Current income tax charge	114.70	293.56
Adjustments in respect of prior years	-	91.41
Total	114.70	384.97
Deferred tax		
In respect of current year	125.20	99.86
Total	125.20	99.86
Total tax expense recognised in statement of profit and loss	239.90	484.83

b) Income tax recognised in other comprehensive income

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Deferred tax (liabilities) / assets		
Remeasurement of defined benefit obligations	(5.41)	1.17
Total	(5.41)	1.17

c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Net profit as per statement of profit and loss account (before tax)	2,288.53	2,476.00
corporate tax rate as per income tax Act, 1961 – 21.34% / 27.82% / 25.75%		
Tax on accounting profit	506.89	518.78
Tax difference on account of:		
Income credited to other comprehensive income which will not be re-classified to profit or loss - remeasurement of defined employee benefit plans	2.43	-
Ind AS impact (net)	-	(5.00)
Expenses not allowable under the income tax Act, 1961	(28.72)	4.92
Interest on delayed payment of advance tax	-	13.97
One fifth of transition amount (credit item credited to other equity)	(1.22)	-
Timing differences - deferred tax assets	125.20	99.86
Adjustments in respect of prior years	-	91.41
Expenses disallowed on payment basis under the Income tax Act, 1961	12.86	(0.38)
Tax on depreciation allowable under the Income tax Act, 1961	(129.70)	(139.71)
Set off against carry forward of losses of earlier year under the Income tax Act, 1961	(241.18)	(93.85)
Rounding off tax differences	(6.66)	(5.17)
Income tax expense recognised in Profit and loss	239.90	484.83

d) Movement of deferred tax

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2018

Particulars	Opening balance	Recognised in profit and loss	Recognised in OCI	Closing balance
Relating to depreciation on fixed assets	(513.87)	(307.23)	-	(821.09)
Provision for gratuity	81.45	11.99	(5.41)	88.03
Provision for leave encashment	23.50	8.06	-	31.56
Unabsorbed depreciation	484.57	(190.57)	-	294.00
Provision for expected credit loss	68.10	(59.36)	-	8.74
Provision for bonus	(12.66)	12.73	-	0.07
Unabsorbed depreciation & business				
Loss adjusted for timing difference	-	189.20	-	189.20
Disallowances under Income tax Act, 1961	-	95.28	-	95.28
MAT credit entitlement	361.07	114.70	-	475.77
Net deferred tax assets	492.16	(125.20)	(5.41)	361.56

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2017

Particulars	Opening balance	Recognised in profit and loss	Recognised in OCI	closing balance
Relating to depreciation on fixed assets	(492.40)	(21.47)	-	(513.87)
Provision for gratuity	71.42	8.86	1.17	81.45
Provision for leave encashment	31.05	(7.55)	-	23.50
Unabsorbed depreciation	917.80	(433.23)	-	484.57
Provision for expected credit loss	66.77	1.33	-	68.10
Provision for bonus	(3.79)	(8.87)	-	(12.66)
MAT credit entitlement	-	361.07	-	361.07
Net deferred tax assets	590.85	(99.86)	1.17	492.16

51) Details of loans given, covered u/s 186 (4) of the Companies Act, 2013 and disclosure pursuant to clause 34 of the (Listing obligations and disclosure requirements) Regulations, 2015

(₹ in Lakhs)

	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
a)	Loans and advances in the nature of loans		
	ii) Kopran Laboratories Ltd.		
	Loans given during the year	-	95.00
	Balance as at the year end	-	-
	Maximum amount outstanding at any time during the year	-	61.46
	Purpose: Working Capital		
b)	Corporate guarantee given		
	For loans sanctioned to Kopran Research Laboratories Limited	6,250.00	6,250.00
	For loans sanctioned to Kopran Limited	3,600.00	3,600.00

52) a) The Company did not have any outstanding long term contracts as at March 31, 2018. Provision has been made, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts.

b) There is no amount required to be transferred to the investor education and protection fund by the company.

53) The figures for the comparative year / periods have been regrouped wherever necessary, to conform to the current year's classification.

54) FINANCIAL INSTRUMENTS

i. Financial Instruments by category

Particulars	March 31, 2018			March 31, 2017			April 01, 2016		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
FINANCIAL ASSETS									
Non - current financial assets - investment	-	4.51	0.40	-	4.48	0.40	-	4.31	0.40
Non - current financial assets - loans	-	-	188.88	-	-	179.37	-	-	166.65
Current financial assets - trade receivables	-	-	6,476.79	-	-	7,311.12	-	-	7,311.12
Current financial assets - cash and cash equivalents	-	-	44.02	-	-	66.21	-	-	78.05
Current financial assets - bank balances other than cash and cash equivalents	-	-	573.56	-	-	621.90	-	-	366.22
Current financial assets - loans	-	-	547.86	-	-	544.07	-	-	447.70
Current financial assets - others	-	-	1.13	-	-	1.03	-	-	27.06
Derivatives designated as hedges - Foreign currency forward contracts	253.61	-	-	-	-	-	-	-	-
Total	253.61	4.51	7,832.64	-	4.48	8,724.10	-	4.31	8,397.20
FINANCIAL LIABILITIES									
Non - current financial liabilities - borrowings	-	-	2,992.10	-	-	3,249.90	1,578.52	-	1,053.58
Current financial liabilities - borrowings	-	-	5,211.41	-	-	5,609.19	-	-	4,890.55
Current financial liabilities - trade payables	-	-	6,166.75	-	-	4,713.48	-	-	5,703.54
Current financial liabilities - other	-	-	1,755.86	-	-	2,527.29	-	-	2,416.16
Total	-	-	16,126.12	-	-	16,099.86	1,578.52	-	14,063.83

ii. Fair value measurements

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the fair value hierarchy that categorises the values into 3 levels. For the inputs to valuation techniques used to measure fair value of financial instruments refer Note No.2.3(b)

Assets and liabilities measured at fair value:

(₹ in Lakhs)

Particulars	March 31, 2018			March 31, 2017			April 01, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets									
Financial investments which are measured at FVTPL									
Investments	-	-	-	-	-	-	-	-	-
Financial investments which are measured at FVTOCI									
Investments	4.51	-	-	4.48	-	-	4.31	-	-
Derivatives designated as hedges									
Foreign exchange forward contracts	-	253.61	-	-	-	-	-	-	-
Financial assets which are measured at amortized cost									
Non - current financial assets - investment	-	0.40	-	-	0.40	-	-	0.40	-
Non - current financial assets - loans	-	188.88	-	-	179.37	-	-	166.65	-
Current financial assets - trade receivables	-	6,476.79	-	-	7,311.12	-	-	7,311.12	-
Current financial assets - cash and cash equivalents	-	44.02	-	-	66.21	-	-	78.05	-
Current financial assets - bank balances other than cash and cash equivalents	-	573.56	-	-	621.90	-	-	366.22	-
Current financial assets - loans	-	547.86	-	-	544.07	-	-	447.70	-
Current financial assets - others	-	1.13	-	-	1.03	-	-	27.06	-
Total financial assets	4.51	8,086.25	-	4.48	8,724.10	-	4.31	8,397.20	-
Financial liabilities									
Financial liabilities which are measured at FVTPL									
Non - current financial liabilities - borrowings	-	-	-	-	-	-	-	1,578.52	-
Financial liabilities which are measured at amortized cost									
Non - current financial liabilities - borrowings	-	2,992.10	-	-	3,249.90	-	-	1,053.58	-
Current financial liabilities - borrowings	-	5,211.41	-	-	5,609.19	-	-	4,890.55	-
Current financial liabilities - trade payables	-	6,166.75	-	-	4,713.48	-	-	5,703.54	-
Current financial liabilities - other	-	1,755.86	-	-	2,527.29	-	-	2,416.16	-
Total financial liabilities	-	16,126.12	-	-	16,099.86	-	-	15,642.35	-

Notes:

There have been no transfers among Level 1, Level 2 and Level 3 during the period

Financial Instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the management does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

55) Disclosures pursuant to Ind AS 1 "presentation of financial statements"- capital management

Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximize the shareholder value.

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Non - current financial liabilities - borrowings	2,992.10	3,249.90	2,632.10
Current financial liabilities - borrowings	5,211.41	5,609.19	4,890.55
Current financial liabilities -other-current maturities of long-term debt	679.87	666.16	666.16
Less : cash and cash equivalents	(44.02)	(66.21)	(78.05)
Net debt (A)	8,839.36	9,459.04	8,110.76
Total equity	14,470.83	12,467.36	10,478.08
Total capital (B)	14,470.83	12,467.36	10,478.08
Capital and net debt C = (A) + (B)	23,310.19	21,926.40	18,588.84
Gearing ratio (A) / (C)	37.92%	43.14%	43.63%

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations. The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018, March 31, 2017 and March 31, 2016.

56) Disclosures pursuant to Ind AS 107 "Financial Instruments disclosures"- Financial risk management objectives and policies

The company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The company's business activities expose it to a variety of financial risks, namely market risks, credit risk and liquidity risk. The company's senior management has the overall responsibility for the establishment and oversight of the company's risk management framework. The top management is responsible for developing and monitoring the company's risk management policies. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

a) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, borrowings, foreign currency receivables and payables.

i) Interest Rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates to the Company's long-term debt as well as short-term obligations with floating interest rates.

In order to manage its interest rate risk the company diversifies its portfolio in accordance with the limits set by the risk management policies.

As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in interest rates. 1% decrease in interest rates would have led to approximately an additional ₹88.05 Lakhs gain for year ended March 31, 2018 (₹ 88.61 Lakhs gain for year ended March 31, 2017) in Interest expenses. A 1% increase in interest rates would have led to an equal but opposite effect.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting

ii) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the borrowings, import of raw materials, exports of formulations and the company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The company evaluates exchange rate exposure arising from foreign currency transactions. The company follows established risk management policies. It uses derivative instruments like foreign currency forwards to hedge exposure to foreign currency risk.

Outstanding foreign currency exposure:

(₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Foreign currency amount	Amount in ₹	Foreign currency amount	amount in ₹
Receivables				
USD	49.88	3,244.20	67.46	4,374.12
EURO	1.52	122.54	1.07	73.83
GBP	0.61	56.29	1.73	140.13
YEN	5.29	3.28	14.25	8.39
Foreign currency bank account				
USD	0.05	3.25	0.05	3.20
Payables				
USD	68.78	4,473.45	71.42	4,630.75
GBP	0.01	0.92	-	-
EURO	-	-	0.29	20.36
Borrowings				
USD	29.04	1,888.81	37.00	2,399.37

"Foreign exchange risk sensitivity:

As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 1% change in interest rates. A 1% increase in interest rates would have led to approximately an additional ₹ 29.30 Lakhs net loss for year ended March 31, 2018 (₹ 24.51 Lakhs net loss for year ended March 31, 2017) in Interest expenses. A 1% increase in interest rates would have led to an equal but opposite effect."

Forward exchange contracts:

Derivatives for hedging currency, outstanding are as under:

Particulars	Purpose	Currency	As at 31st March, 2018	As at 31st March, 2017
Foreign currency forward contracts	Exports	USD	210.47	9.17
Forward contract value	Exports	₹	13,689.20	594.49
Foreign currency forward contracts	Imports	USD	-	3.82
Forward contract value	Imports	₹	-	247.69

iii) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. The Company is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI. As at March 31, 2018, the carrying value of such equity instruments recognised at FVTOCI amounts to ₹ 4.51 Lakhs (March 31, 2017 ₹4.48 Lakhs and ₹ 4.31 Lakhs as at April 01, 2016). The details of such investments in equity instruments are given in note 7(a) and 7(b).

The company is mainly exposed to change in market rates of its investments in equity investments recognised at FVTOCI. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

If the equity prices had been higher / lower by 10% from the market prices existing as at March 31, 2018, Other Comprehensive Income for the year ended March 31, 2018 would increase / decrease by ₹ 0.27 Lakhs (March 31, 2017 ₹ 0.26 Lakhs, April 01, 2016 ₹ 0.25 Lakhs) with a corresponding increase/decrease in total equity of the company as at March 31, 2018. 10% represents management's assessment of reasonably possible change in equity prices.

b) Credit risk

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing / investing activities, including deposits with banks, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty.

Trade receivables:

Credit risk arising from trade receivables is managed in accordance with the company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/ modified.

Total trade receivable as on March 31, 2018 is ₹ 6,476.79 Lakhs (March 31, 2017 ₹ 7,311.12 Lakhs, April 01, 2016 ₹ 5,531.73 Lakhs). The average credit period on sale of goods is 90 to 180 days. No interest is charges on trade receivables.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The company does not hold collateral as security. The company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Movement in the expected credit loss allowance on trade receivables

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Balance at the beginning of the year	303.11	279.97
Addition	-	23.14
Write - offs	(41.58)	-
Recoveries	-	-
Balance at the end of the year	344.69	303.11

c) Liquidity risk

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date.

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2018				
Non - current financial liabilities - borrowings	2,992.10	-	2,992.10	2,992.10
Current financial liabilities - borrowings	5,211.41	5,211.41	-	5,211.41
Current financial liabilities - trade payables	6,166.75	6,166.75	-	6,166.75
Current financial liabilities - other	1,755.86	1,755.86	-	1,755.86
As at March 31, 2017				
Non - current financial liabilities - borrowings	3,249.90	-	3,249.90	3,249.90
Current financial liabilities - borrowings	5,609.19	5,609.19	-	5,609.19
Current financial liabilities - trade payables	4,713.48	4,713.48	-	4,713.48
Current financial liabilities - other	2,527.29	2,527.29	-	2,527.29
As at April 01, 2016				
Non - current financial liabilities - borrowings	2,632.10	-	2,632.10	2,632.10
Current financial liabilities - borrowings	4,890.55	4,890.55	-	4,890.55
Current financial liabilities - trade payables	5,703.54	5,703.54	-	5,703.54
Current financial liabilities - other	2,416.16	2,416.16	-	2,416.16

57) First time Ind AS adoption reconciliations

a) Effect of Ind AS adoption on the consolidated balance sheet as at April 01, 2016 and March 31, 2017

Particulars	Opening balance sheet as at 1st April, 2016			Balance sheet as at 31st March, 2017		
	Previous GAAP	Adj on transition	Ind AS	Previous GAAP	Adj on transition	Ind AS
ASSETS						
1. Non-current assets						
Property, plant and equipment	10,087.84	(41.04)	10,046.80	10,474.60	(40.50)	10,434.10
Capital work-in-progress	313.42	-	313.42	480.91	-	480.91
Goodwill	0.58	-	0.58	-	0.58	0.58
Other intangible assets	-	-	-	12.87	(0.58)	12.29
Intangible assets under development	-	-	-	148.17	-	148.17
Financial assets						
Investments	11.43	(6.72)	4.71	11.43	(6.55)	4.88
Loans	564.56	(397.91)	166.65	691.54	(512.17)	179.37
Deferred tax assets (net)	-	590.85	590.85	-	492.16	492.16
Other non - current assets	-	414.94	414.94	-	101.49	101.49
Total non - current assets	10,977.83	560.12	11,537.95	11,819.52	34.43	11,853.95
2. Current assets						
Inventories	5,884.02	-	5,884.02	6,056.43	-	6,056.43
Financial assets						
Trade receivables	5,688.62	(156.89)	5,531.73	7,491.15	(180.03)	7,311.12
Cash and cash equivalents	471.33	(393.28)	78.05	689.13	(622.92)	66.21
Bank balances other than cash and cash equivalents above	-	366.22	366.22	-	621.90	621.90
Loans	-	447.70	447.70	3,816.10	(3,272.03)	544.07
Others	-	27.06	27.06	-	1.03	1.03
Current tax assets (net)	-	26.68	26.68	-	25.88	25.88
Other current assets	3,357.47	(441.57)	2,915.90	-	3,345.02	3,345.02
Total current assets	15,401.44	(124.08)	15,277.36	18,052.81	(81.15)	17,971.66
Total assets	26,379.27	436.04	26,815.31	29,872.33	(46.72)	29,825.61

(₹ in Lakhs)

Particulars	Opening Balance Sheet as at 1st April, 2016			Balance Sheet as at 31st March, 2017		
	Previous GAAP	Adj on transition	Ind AS	Previous GAAP	Adj on transition	Ind AS
EQUITY AND LIABILITIES						
Equity						
Equity share capital	5,182.89	(858.00)	4,324.89	5,182.89	(858.00)	4,324.89
Other equity	5,688.64	464.55	6,153.19	8,164.17	(21.70)	8,142.47
Total equity	10,871.53	(393.45)	10,478.08	13,347.06	(879.70)	12,467.36
1. Non-current liabilities						
Financial liabilities						
Borrowings	2,868.60	(236.50)	2,632.10	3,055.90	194.00	3,249.90
Provisions	431.14	-	431.14	459.43	-	459.43
Deferred tax liabilities (net)	-	-	-	-	-	-
Total non - current liabilities	3,299.74	(236.50)	3,063.24	3,515.33	194.00	3,709.33
2. Current liabilities						
Financial liabilities						
Borrowings	3,799.56	1,090.99	4,890.55	4,945.19	664.00	5,609.19
Trade payables	5,703.54	-	5,703.54	4,713.81	(0.33)	4,713.48
Other financial liabilities	-	2,416.16	2,416.16	-	2,527.29	2,527.29
Other current liabilities	2,664.18	(2,441.16)	223.02	3,015.37	(2,551.98)	463.39
Provisions	40.72	-	40.72	335.57	(293.56)	42.01
Current tax liabilities (net)	-	-	-	-	293.56	293.56
Total current liabilities	12,208.00	1,065.99	13,273.99	13,009.94	638.98	13,648.92
Total equity and liabilities	26,379.27	436.04	26,815.31	29,872.33	(46.72)	29,825.61

b) Reconciliation of total equity:

Particulars	As at As at 1st April, 2016	As at As at 31st March, 2017
Total equity (Shareholder's funds) under previous GAAP	10,871.53	13,347.06
Impact of provision for diminution in value of investment	(0.24)	(0.24)
Impact of interest on loan	3.47	-
Impact of Provision for expected credit loss on financial assets	(156.88)	(180.02)
Impact due to change in fair value of equity instruments through other comprehensive income	(6.48)	(6.32)
Impact of premium on operating lease	8.79	8.79
Impact due to reversal of deposits written off	25.00	25.00
Impact of deferred income tax	590.85	131.09
Impact of reclassification of 10% Non convertible non cumulative redeemable Preference shares of ₹ 10 each regrouped under non-current financial Liabilities - borrowings	(858.00)	(858.00)
Total adjustment to equity	(393.45)	(879.70)
Total equity (shareholder's funds) under Ind AS	10,478.08	12,467.36

c) Effect of Ind AS adoption on the standalone statement of profit and loss for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	Year ended March 31, 2017		
	Previous GAAP	Adj on transition	Ind AS
INCOME			
Revenue from operations	30,972.08	898.44	31,870.52
Other Income	1,066.44	10.86	1,077.30
Total income	32,038.52	909.30	32,947.82
EXPENSES			
Cost of materials consumed	15,537.00	-	15,537.00
Purchases of stock-in-trade	2,547.53	-	2,547.53
Changes in inventories of finished goods and work-in-progress	16.41	-	16.41
Employee benefits expense	3,140.58	(3.18)	3,137.40
Finance costs	1,366.70	3.47	1,370.17
Depreciation and amortization expense	833.09	(0.55)	832.54
Other expenses	6,097.78	932.99	7,030.77
Total Expenses	29,539.09	932.73	30,471.82
Profit before exceptional items and tax	2,499.43	(23.43)	2,476.00
Exceptional items (net)	-	-	-
Profit before tax	2,499.43	(23.43)	2,476.00
Tax expense			
(1) Current tax	293.56	-	293.56
Less : MAT credit entitlement	361.07	(361.07)	-
(2) Deferred tax		99.86	99.86
(3) Taxation adjustment of earlier years	91.41	-	91.41
Net tax expense	23.90	460.93	484.83
Profit for the Year	2,475.53	(484.36)	1,991.17
Other Comprehensive income for the year			
(i) Items that will not be reclassified subsequently to profit or loss			
a) Net changes in fair value of investments in equity shares carried at fair value through OCI	-	0.16	0.16
b) Remeasurement of defined employee benefit plans [write back / (expenses)]	-	(3.18)	(3.18)
Income tax effect on remeasurement of defined employee benefit plans [(charge) / credit]		1.17	1.17
ii) a) Items that will be reclassified to profit or loss	-	-	-
b) Income tax relating to items that will be reclassified to profit or loss	-	-	-
Total other comprehensive income / (loss) for the year	-	(1.85)	(1.85)
Total comprehensive income for the year	2,475.53	(486.21)	1,989.32

d) Reconciliation of total comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2017
Profit after tax under previous GAAP	2,475.53
Impact of amortization of loan	(3.47)
Impact of remeasurement of defined benefits plans classified in other comprehensive income	3.18
Impact of expected credit loss on financial assets	(23.14)
Impact of deferred income tax	(460.93)
Impact of equity instruments through other comprehensive income	0.16
Profit after tax under Ind AS	1,991.33
Other comprehensive income	(2.01)
Total comprehensive income	1,989.32

e) Reconciliation of cash flow

Particulars	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	1,795.14	(208.20)	1,586.94
Net cash flows used in investing activities	(1,772.98)	(23.17)	(1,796.15)
Net cash flows from financing activities	(34.00)	231.37	197.37
Net increase / (decrease) in cash and cash equivalents	(11.84)	-	(11.84)

Notes on reconciliations between previous GAAP and Ind AS

Excise duty

Under the previous GAAP, excise duty was netted off against sale of products. However, under Ind AS, excise duty is included in sale of products and is separately presented as expense in the statement of profit and loss under the head "other expenses".

Amortization of loan

Under previous GAAP, the loan processing fees paid to the bank at the time of disbursing the loan and is charged to statement of profit and loss in the year in which it is incurred. Under Ind AS, the same are amortised over the period of loan and required to be charged to the statement of profit and loss in the respective periods under the head "finance costs".

Employee benefits

Under previous GAAP, actuarial gains and losses were recognised in statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability / asset which is recognised in other comprehensive income in the respective periods. As a result of this change there is no impact on the total equity as at March 31, 2017.

Other comprehensive income

The concept of other comprehensive income did not exist under previous GAAP. Under Ind AS, all items of income and expense recognised during the year should be included in profit or loss for the year, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss are shown in the Statement of Profit and Loss as "other comprehensive income". OCI for the Company includes re-measurement of defined benefit plans and fair value of equity Instruments.

Deferred tax assets

Under previous GAAP, deferred tax assets have not been recognised as there was no virtual certainty supported by convincing evidence that there will be sufficient future taxable income against such deferred tax assets can be realised. Under Ind AS, as concept of virtual certainty does not exist, the deferred tax assets has to be recognised. Accordingly, deferred tax assets is recognised in the statement of profit and loss.

Redeemable preference shares

The company has issued non convertible non cumulative redeemable preference shares. Under previous GAAP, the preference shares were classified as equity. Under Ind AS, preference shares are classified as liability based on the terms of the contract. Thus, the preference share capital is reduced by ₹ 858 Lakhs as at March 31, 2017 (April 1, 2016 ₹ 858 Lakhs) with a corresponding increase in borrowings as liability component.

Effect of transition to Ind AS on cash flow statement for the year ended March 31, 2017

Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities and has no impact on the net cash flow for the year ended March 31, 2017 as compared with the previous GAAP.

As per our report of even date
For **Khandelwal Jain & Co**
Chartered Accountants
Firm Registration No: - 105049W

S. S. Shah
Partner
Membership No: - 033632

Place: Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors

SURENDRA SOMANI
Executive Vice Chairman
DIN: 00600860

B. K. SONI
Chief Financial Officer

DR. ARVIND K. MEHTA
Director
DIN: 01588835

SUNIL SODHANI
Company Secretary

KOPRAN LIMITED

CIN: L2430 MH1958PLC 011078

Registered Office: Parijat House, 1076, Dr. E. Moses Road, Worli, Mumbai – 400 018

Website: www.kopran.com, Email: investors@kopran.com,

Tel.No.022-43661111, Fax No.022-24950363

NOTICE OF 59th ANNUAL GENERAL MEETING

Notice is hereby given that the 59th Annual General Meeting of the members of Kopran Limited will be held on Saturday, 29th September, 2018 at 11.30 am at Shri S.K. Somani Memorial Hall, 79, Marine Drive, Mumbai-400 020, to transact the following business:

Ordinary Business

Item no. 1: To consider and adopt the Audited Financial Statements including the Consolidated Financial Statement of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.

Item no. 2: To appoint a Director in place of Mr. Susheel Somani (DIN:00601727) , who retires by rotation and being eligible, seeks re-appointment.

Special Business

Item no. 3: Appointment of Mr. Adarsh Somani as Director

To consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and 161 of the Companies Act, 2013 and the Rules made thereunder, Mr. Adarsh Somani (DIN: 00192609), an Additional Director of the Company who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company, who is liable to retire by rotation at the Annual General Meeting.”

Item No 4: Appointment of Mr. Varun Somani as Director

To consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and 161 of the Companies Act, 2013 and the Rules made thereunder, Mr. Varun Somani (DIN: 00015384), an Additional Director of the Company who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company, who is liable to retire by rotation at the Annual General Meeting.”

Notes:

- 1. MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- Proxies in order to be effective must be received not less than 48 hours before the meeting at the Registered Office at Parijat House, 1076, Dr. E. Moses Road, Worli, Mumbai – 400 018.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided such person shall not act as a proxy for any other person or shareholder.
- Members / Proxies should bring duly filled in and signed Attendance Slip for attending the meeting.
- Members holding physical shares desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to fill up the form no. SH-13 available on company's website and submit the same to Registrar and Transfer Agent of the Company. Nomination for Demat Account holders can only be done through their Depository Participant (DP).
- The Company's Register of Members and Share Transfer Books shall be closed from 28th August, 2018 to 31st August, 2018 (both days inclusive).
- The Notice of the AGM along with Annual Reports 2017-18 is being sent by electronic mode to those members whose E-mail addresses are registered with the Depositories/RTA. Members desirous of physical copy of the same can send their request to the registered office of the Company or to the E-mail ID : investors@kopran.com

8. To support the 'green initiative', the members who have not registered their E-mail addresses are requested to register the same with their depositories.
9. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members shall be provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL on all resolutions set forth in this Notice.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 26th September, 2018 at 9.00 am and ends on 28th September, 2018 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Kopran Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos.3 & 4 of the accompanying Notice dated 29th May, 2018.

Item No. 3: Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors ('Board'), appointed Mr. Adarsh Somani (DIN: 00192609) as an Additional Director (Non-Executive) of the Company with effect from 29th May, 2018 liable to retire by rotation. Pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, Mr. Adarsh Somani will hold office up to the date of the ensuing Annual General Meeting ('AGM') and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160 of the Act, received a notice in writing, from a member, proposing the candidature of Mr. Adarsh Somani for the office of Director. Mr. Adarsh Somani once appointed will be liable to retire by rotation.

The Company has received from Mr. Adarsh Somani (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act. Mr. Adarsh Somani is not debarred from holding the office of Director pursuant to any SEBI orders.

The profile and specific areas of expertise of Mr. Adarsh Somani are provided as Annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution. The Board recommends the resolution set forth in Item No. 3 for the approval of the Members.

Item No. 4: Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors ('Board'), appointed Mr. Varun Somani (DIN: 00015384) as an Additional Director (Non-Executive) of the Company with effect from 29th May, 2018 liable to retire by rotation. Pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, Mr. Varun Somani will hold office up to the date of the ensuing Annual General Meeting ('AGM') and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160 of the Act, received a notice in writing, from a member, proposing the candidature of Mr. Varun Somani for the office of Director. Mr. Varun Somani once appointed will be liable to retire by rotation.

The Company has received from Mr. Varun Somani (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act. Mr. Varun Somani is not debarred from holding the office of Director pursuant to any SEBI orders.

The profile and specific areas of expertise of Mr. Varun Somani are provided as Annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Surendra Somani is concerned or interested in the Resolution. The Board recommends the resolution set forth in Item No. 4 for the approval of the Members.

Annexure

Details of Directors seeking re-appointment at the Annual General Meeting scheduled to be held on 29th September, 2018 [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

Name of the Director	Susheel G. Somani	Adarsh Somani	Varun Somani
Date of Birth	01.11.1942	20.04.1974	27.09.1982
Age	76 years	44 years	35 years
Date of Appointment	12.09.2016	29.05.2018	29.05.2018
Qualifications	M.Sc. in Organic Chemistry from Institute of Science, Bombay University	Bachelor of Commerce from Mumbai University	Bachelor's in Business Administration from University of Michigan, USA
Terms and conditions of appointment & Category	Non-Executive Director (Promoter). He is entitled only to receive sitting fees for Board and Committee Meetings.	Non-Executive Director (Promoter). He is entitled only to receive sitting fees for Board and Committee Meetings.	Non-Executive Director (Promoter). He is entitled only to receive sitting fees for Board and Committee Meetings.
Nature of Expertise or experience	He has experience in manufacturing Molded products out of waste paper including printing press, Overall management of tin containers manufacturing unit also weekly group of publications.	He has experience in Marketing of FMCG Products, Real Estate and Finance.	He has experience in Sales & Marketing of Medical Electronic Equipments and also Automobile Sales and Services of Toyota.
Shareholding in the Company	8,71,900 Equity Shares	2,72,500 Equity Shares	1,81,250 Equity Shares
Relationship with other Directors & KMP's	Not related	Not related	Son of Mr. Surendra Somani.
Directorship in other Companies	1. Oricon Enterprises Ltd. 2. Debonair Publications Ltd. 3. G. Claridge and Co. Ltd 4. Claridge Moulded Fibre Ltd. 5. United Maleable Co. Ltd 6. Shinrai Auto Services Ltd. 7. Hotel Empire Ltd. 8. Kopran Lifesciences Ltd. 9. CMFL Packaging Ltd.	1. Oricon Enterprises Limited (Joint Managing Director) 2. Kopran Laboratories Ltd 3. Hotel Empire Limited 4. Kopran Lifestyle Ltd. 5. Reay Road Iron And Metal Warehousing Pvt. Ltd. 6. Sarvamangal Mercantile Co. Ltd. 7. Kopran Lifesciences Ltd. 8. Debonair Publications Ltd.	1. Kopran Laboratories Ltd (Managing Director) 2. USL Auto Services Ltd 3. Skyland Securities Private Ltd 4. Panorama Finvest Pvt Ltd 5. Hotel Empire Ltd 6. Sorabh Trading Private Ltd 7. Bigflex Enterprises Private Ltd 8. Apurva Caplease And Finance Private Ltd 9. Shinrai Auto Services Ltd 10. Himalaya Builders Private Ltd 11. Premier Commercial Company Private Ltd 12. Reay Road Iron And Metal Warehousing Private Ltd
Committee membership in other companies	Oricon Enterprises Ltd (Audit committee)	Sarvamangal Mercantile Co. Ltd (Audit Committee)	Shinrai Auto Services Ltd (Audit Committee)

Place: Mumbai
Date :29th May, 2018

For Kopran Limited

Sunil Sodhani
Company Secretary & Compliance Officer

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Kopran Limited

CIN: L24230MH1958PLC011078

Registered office: 1076, Dr. E. Moses Road, Worli, Mumbai – 400018

Name of the Member(s) :
Registered address :
E-mail Id:
Folio No./DP ID:

I / We being the member(s) of Shares of the above named Company hereby appoint:

(1) Name:	<div style="border: 1px solid black; width: 100px; height: 100px; display: flex; align-items: center; justify-content: center;">Signature</div>
Address:	
E-mail Id:	
or failing him;	
(2) Name:	<div style="border: 1px solid black; width: 100px; height: 100px; display: flex; align-items: center; justify-content: center;">Signature</div>
Address:	
E-mail Id:	
or failing him;	
(3) Name:	<div style="border: 1px solid black; width: 100px; height: 100px; display: flex; align-items: center; justify-content: center;">Signature</div>
Address:	
E-mail Id:	

As my/ our proxy to attend and vote (on a poll) for me / us and on my/our behalf at the 59th Annual General Meeting of the Company to be held on Saturday, 29th September, 2018 at 11.30 am at Shri S. K. Somani Memorial Hall, 79 Marine Drive, Mumbai – 400 020 and at any adjournment thereof in respect of such resolution as are indicated below:

Item No.	Resolutions in brief		
	Ordinary Business	For	Against
1.	Adoption of Financial Statements together with Auditor's Report and Director's Report for the FY 2017-18		
2.	Re-appointment of Mr. Susheel Somani (DIN:00601727) as a Director who retires by rotation		
	Special Business		
3.	Appointment of Mr. Adarsh Somani (DIN:00192609) as Director		
4.	Appointment of Mr. Varun Somani (DIN: 00015384) as Director		

Signed this day of 2018

Signature of the Shareholder

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.

Kopran Limited

(CIN:- L2430 MH1958PLC 011078)

Registered Office: Parijat House, 1076, Dr. E. Moses Road, Worli, Mumbai – 400 018. Website: www.kopran.com

Email: investors@kopran.com, Tel. No.022-43661111, Fax No.022-24950363

Form No. MGT-12

Polling Paper

[Pursuant to section 109 (5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

BALLOT PAPER

Sr. No.	Particulars	Details
1.	Name of the first named shareholder (Block Letters)	
2.	Postal address	
3.	Registered Folio No./*Client ID No. (*applicable to investors holding shares in dematerialized form)	
4.	Class of Shares	Equity Shares / Preference Shares

I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said Resolutions in the following manner:

(* Please tick ✓ (for assent) or X (for dissent) in applicable items)

Item No.	Resolutions in brief	Number of Shares held by me	I assent to the Resolution	I dissent from the Resolution
	Ordinary Business			
1.	Adoption of Financial Statements together with Auditor's Report and Director's Report for the FY 2017-18			
2.	Re-appointment of Mr. Susheel Somani (DIN:00601727) as a Director who retires by rotation			
	Special Business			
3.	Appointment of Mr. Adarsh Somani (DIN:00192609) as Director			
4.	Appointment of Mr. Varun Somani (DIN: 00015384) as Director			

Place: Mumbai

Date : 29th September, 2018

(Signature of the Shareholder)

Kopran Limited

CIN:- L24230MH1958PLC011078

Registered Office: Parijat House, 1076, Dr. E. Moses Road, Worli, Mumbai – 400 018

Attendance Slip

(To be presented at the entrance)

I/We hereby record my / our presence at the 59th Annual General Meeting of the Company at Shri S. K. Somani Memorial Hall, 79 Marine Drive, Mumbai – 400 020 on Saturday 29th September, 2018 at 11.30 am

Shareholders Details:

Name of the first named shareholder (Block Letters):

.....

Folio No.:

DP ID No.:

Client ID No.:

Name of Proxy holder

.....
Signature of Proxy holder

.....
Signature of Shareholders

Google Maps Hindi Vidya Bhavan



Date : 4th September 2018

**Mandatory update of PAN and Bank details
Only for shareholders holding shares in physical form
(First Reminder)**

Dear Shareholder,

Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, shareholders holding shares in physical form whose folio do not have / have incomplete details with respect to PAN and bank particulars are mandatorily required to furnish the PAN and bank account details to the Company / Registrar & Transfer Agent (RTA) for registration under their folio.

Hence you are requested to submit the following documents within 21 days of receipt of this communication in case you have not submitted the same earlier:

- Enclosed form duly filled in and signed by the shareholder (including joint holders)
- Self-attested copy of PAN card of the shareholder (including joint holders)
- Cancelled cheque leaf should bear the name of account holder (In absence of personalised cheque, self-attested copy of first page of pass book)
- Address proof (self-attested copy of Aadhar-card/voter id/electricity bill/telephone bill)

In case if you have any queries or need any assistance in this regard, please contact the following address :

Bigshare Services Pvt. Ltd
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol
Andheri East, Mumbai – 400 059

Tel. No. 91 22 62638200 / Email : investor@bigshareonline.com

Important information: In terms of SEBI Gazette Notification dated June 08, 2018, shares in physical form will not be transferred after December 05, 2018. Hence, in your interest, it is advised to get your shares converted into demat form at the earliest.

Regards,

Yours faithfully,
For Kopran Limited

Sd/-
Sunil Sodhani
Company Secretary & Compliance Officer

Encl : as above

FORM FOR FURNISHING PAN AND BANK DETAILS

Bigshare Services Pvt. Ltd
 1st Floor, Bharat Tin Works Building
 Opp. Vasant Oasis, Makwana Road, Marol,
 Andheri East, Mumbai – 400 059

Dear Sir/Madam,
 Unit: Kopran Limited

I/we hereby furnish our PAN and bank mandate details for updating in your records. I/we am/are enclosing herewith:

- 1) Self-attested copy of PAN card of the shareholder (including joint holders)
- 2) Original personalized cancelled cheque leaf / First page of bank pass book
- 3) Address proof (self-attested copy of Aadhar-card/voter id/electricity bill/telephone bill)

Folio No.	
Mobile No.	
E-Mail id	

Bank Account Details : (for electronic credit of dividends)										
Name of the Bank										
Name of the Branch										
Account Number (as appearing in cheque book)										
Account Type (Please tick as applicable)					Saving		Current		Cash Credit	
9 Digit MICR Number (as appearing on the MICR cheque issued by the bank) Please enclose a photocopy of a cheque for verification										
11 Digit IFSC Code										

	Name	PAN	Signature (as per specimen registered with the Company/RTA)
First Holder :			
Joint Holder 1 :			
Joint Holder 2 :			

Khopoli Plant - Finished Dosage Forms



Mahad Plant - Active Pharmaceutical Ingredients



Courier

If mail undelivered please return to:



KOPRAN LIMITED

Parijat House, 1076, Dr. E. Moses Road, Worli, Mumbai - 400 018.